



State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF PURCHASE AND PROPERTY
PURCHASE BUREAU
P.O. Box 230
TRENTON, NJ 08625-0230

RICHARD J. CODEY
Acting Governor

JOHN E. McCORMAC, CPA
State Treasurer

June 7, 2005

TO: All Potential Bidders

RE: RFP #: 06-X-38019
RFP Title: Management Consulting: Market Assessment Services, BPU, Energy
Efficiency Programs

a) New Business Registration Requirements – This is a change from previous requirements. Failure to submit a copy of your Business Registration Certificate (or interim registration) from the Division of Revenue with the Bid Proposal may be cause for rejection of the bid proposal.

b) Executive Order 134 Certification and Disclosure Submittal Requirements Revised – In order to simplify the EO 134 compliance process, effective December 22, 2004, submission of EO 134 Certification and Disclosure forms will be required to be submitted following notice of intent to award.

Enclosed please find a complete set of bid documents for the above referenced solicitation. The following are the key dates for the project:

Date	Time	Event
06/29/05	5:00 PM	Electronic Questions and Answers (Refer to RFP Section 1.3.1 for more information)
07/28/05	2:00 PM	Bid Submission Due Date (Refer to RFP Section 1.3.5 for more information)

All questions concerning the RFP contents and the bidding process must be directed to the following e-mail address: james.strype@treas.state.nj.us

ATTENTION VENDORS

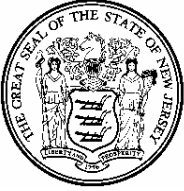
Vendor Information and Bidding Opportunities

The Purchase Bureau maintains a bidders' mailing list. You as a vendor may have basic information about your firm added to the bidder's mailing list by visiting our website at <http://www.state.nj.us/treasury/purchase/bidmaillist.htm> and submitting a bidders' mailing list application online. You may also download the application and instructions and submit the application by mail. Applications submitted online are processed more quickly than mailed applications.

A bidders' mailing list application gives you the opportunity to identify yourself as a potential bidder for the types of goods and services that your firm provides. The Purchase Bureau attempts (but does not guarantee) to provide firms on the bidders mailing list with notice of bidding opportunities related to the goods and services identified in the application.

If you are already on the Purchase Bureau's bidders' mailing list and you need to change your information, contact Bid List Management at (609) 984-5396

Note: If you are an awarded State contractor and payments are not being directed to your proper remit-to address, you must send a letter on company letterhead to the Office of Management and Budget, Vendor Control Unit, PO Box 221, Trenton, NJ 08625 or fax that letter to 609-292-4882. In the letter you must include the current incorrect remit to address and your new correct remit-to address. If you have any question about this process you may call (609) 292-8124 for more information.

	STATE OF NEW JERSEY REQUEST FOR PROPOSAL	BID NUMBER: 06-X-38019
	FOR: Management Consulting: Market Assessment Services, BPU, Energy Efficiency Programs	TERM CONTRACT #: T-2396 REQUESTING AGENCY: New Jersey Board of Public Utilities
	ESTIMATED AMOUNT: <u>N/A</u> CONTRACT EFFECTIVE DATE: 08/15/05 CONTRACT EXPIRATION DATE: 08/14/06 COOPERATIVE PURCHASING: NO SET ASIDE: SEE RFP SECTION 4.4.1.6	<u>DIRECT QUESTIONS CONCERNING THIS RFP TO:</u> E-MAIL ADDRESS: : james.strype@treas.state.nj.us

TO BE COMPLETED BY BIDDER:

Firm Name: _____

Address: _____

PURSUANT TO N.J. STATUTES, REGULATIONS AND EXECUTIVE ORDERS, PROPOSALS WHICH FAIL TO CONFORM WITH THE FOLLOWING REQUIREMENTS WILL BE AUTOMATICALLY REJECTED:

- 1) **PROPOSALS MUST BE RECEIVED AT OR BEFORE THE PUBLIC OPENING TIME OF 2 PM ON THE DATE SHOWN ON THE COVER LETTER OF THIS RFP OR AS MODIFIED BY ADDENDA AT THE FOLLOWING PLACE: DEPARTMENT OF THE TREASURY, PURCHASE BUREAU, PO BOX-230, 33 WEST STATE STREET, 9TH FLOOR, TRENTON, NEW JERSEY 08625-0230. TELEPHONE, TELEFACSIMILE OR TELEGRAPH PROPOSALS WILL NOT BE ACCEPTED.**
- 2) THE BIDDER MUST SIGN THE PROPOSAL.
- 3) THE PROPOSAL MUST INCLUDE ALL PRICE INFORMATION. PROPOSAL PRICES SHALL INCLUDE DELIVERY OF ALL ITEMS, F.O.B. DESTINATION OR AS OTHERWISE PROVIDED. PRICE QUOTES MUST BE FIRM THROUGH ISSUANCE OF CONTRACT.
- 4) ALL PROPOSAL PRICES MUST BE TYPED OR WRITTEN IN INK.
- 5) ALL CORRECTIONS, WHITE-OUTS, ERASURES, RESTRIKING OF TYPE, OR OTHER FORMS OF ALTERATION, OR THE APPEARANCE OF ALTERATION, TO UNIT AND/OR TOTAL PRICES MUST BE INITIALED IN INK BY THE BIDDER.
- 6) THE BIDDER MUST SUBMIT WITH THE PROPOSAL BID SECURITY IN THE AMOUNT OF \$ NA
CHECK THE TYPE OF BID SECURITY SUPPLIED:
 ANNUAL BID BOND ON FILE: _____ BID BOND ATTACHED: _____
 CERTIFIED OR CASHIERS CHECK ATTACHED: _____ LETTER OF CREDIT ATTACHED: _____
- 7) THE BIDDER MUST COMPLETE AND SUBMIT, PRIOR TO THE SUBMISSION OF THE PROPOSAL, OR ACCOMPANYING THE PROPOSAL, THE ATTACHED OWNERSHIP DISCLOSURE FORM. (SEE N.J.S.A. 52:25-24.2). [SEE ATTACHMENT 1](#)
- 8) THE BIDDER MUST ATTEND THE MANDATORY PRE-BID CONFERENCE(S) AND SITE VISIT(S) AT THE FOLLOWING DATE(S) AND TIME(S):
 PRE-BID CONFERENCE NA
 SITE INSPECTIO NA
- 9) FOR SET ASIDE CONTRACTS ONLY, A BIDDER MUST BE REGISTERED WITH THE N.J. DEPARTMENT OF COMMERCE AS A SMALL BUSINESS BY THE DATE OF BID OPENING. (SEE N.J.A.C. 17:13-3.1 & 13.3.2).

ADDITIONAL REQUIREMENTS

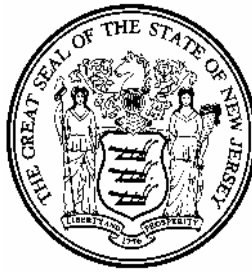
- 10) THE BIDDER MUST BE REGISTERED WITH THE DIVISION OF REVENUE AND SHALL SUBMIT A BUSINESS REGISTRATION CERTIFICATE (OR INTERIM REGISTRATION) WITH THE BID PROPOSAL.(SEE N.J.S.A. 52:32-44).
- 11) PERFORMANCE SECURITY: NA OR _____% 12) PAYMENT RETENTION NA 0%
- 13) AN AFFIRMATIVE ACTION FORM ([ATTACHMENT 3 OF RFP](#)) 14) A MACBRIDE PRINCIPLES CERTIFICATION ([ATTACHMENT 2 OF RFP](#))
- 15) REQUESTED DELIVERY: SEE DETAILS ELSEWHERE IN RFP

TO BE COMPLETED BY BIDDER

- 16) DELIVERY CAN BE MADE _____ DAYS OR _____ WEEKS AFTER RECEIPT OF ORDER.
- 17) CASH DISCOUNT TERMS (SEE RFP) _____%, _____ DAYS: NET _____60_____ DAYS. 18) BIDDER PHONE NO: _____
- 19) BIDDER FAX NO. _____ 20) BIDDER E-MAIL ADDRESS. _____
- 21) BIDDER FEDERAL ID NO. _____ 22) YOUR BID REFERENCE NO. _____

SIGNATURE OF THE BIDDER ATTESTS THAT THE BIDDER HAS READ, UNDERSTANDS, AND AGREES TO ALL TERMS, CONDITIONS, AND SPECIFICATIONS SET FORTH IN THE REQUEST FOR PROPOSAL, INCLUDING ALL ADDENDA, FURTHERMORE, SIGNATURE BY THE BIDDER SIGNIFIES THAT THE REQUEST FOR PROPOSAL AND THE RESPONSIVE PROPOSAL CONSTITUTES A CONTRACT IMMEDIATELY UPON NOTICE OF ACCEPTANCE OF THE PROPOSAL BY THE STATE OF NEW JERSEY FOR ANY OR ALL OF THE ITEMS BID, AND FOR THE LENGTH OF TIME INDICATED IN THE REQUEST FOR PROPOSAL. FAILURE TO ACCEPT THE CONTRACT WITHIN THE TIME PERIOD INDICATED IN THE REQUEST FOR PROPOSAL, OR FAILURE TO HOLD PRICES OR TO MEET ANY OTHER TERMS AND CONDITIONS AS DEFINED IN EITHER THE REQUEST FOR PROPOSAL OR THE PROPOSAL DURING THE TERM OF THE CONTRACT, SHALL CONSTITUTE A BREACH AND MAY RESULT IN SUSPENSION OR DEBARMENT FROM FURTHER STATE BIDDING. A DEFAULTING CONTRACTOR MAY ALSO BE LIABLE, AT THE OPTION OF THE STATE, FOR THE DIFFERENCE BETWEEN THE CONTRACT PRICE AND THE PRICE BID BY AN ALTERNATE VENDOR OF THE GOODS OR SERVICES IN ADDITION TO OTHER REMEDIES AVAILABLE.

23) ORIGINAL SIGNATURE OF BIDDER	24) NAME OF FIRM
25) PRINT/TYPE NAME AND TITLE	26) DATE



Bid Number: 06-X-38019

**REQUEST FOR PROPOSAL
FOR:**

**MANAGEMENT CONSULTING:
MARKET ASSESSMENT SERVICES,
BPU, ENERGY EFFICIENCY PROGRAMS**

Purchasing Agency
State of New Jersey
Department of the Treasury
Division of Purchase and Property
Purchase Bureau
PO Box 230
33 West State Street
Trenton, New Jersey 08625-0230

Using Agency
State of New Jersey
Board of Public Utilities
Office of Clean Energy
44 South Clinton Avenue
PO Box 350
Trenton, New Jersey 08625-0350

Table of Contents

1.0 INFORMATION FOR BIDDERS	8
1.1 PURPOSE AND INTENT	8
1.2 BACKGROUND	8
1.2.1 DESCRIPTION OF THE OCE AND NJCEP	9
1.2.2 GOALS AND OBJECTIVES	10
1.3 KEY EVENTS	12
1.3.1 ELECTRONIC QUESTION AND ANSWER PERIOD.....	12
1.3.1.1 QUESTION PROTOCOL	12
1.3.1.2 CUT-OFF DATE FOR QUESTIONS AND INQUIRIES	12
1.3.2 MANDATORY SITE VISIT	12
1.3.3 MANDATORY PRE-BID CONFERENCE	12
1.3.4 OPTIONAL PRE-BID CONFERENCE.....	12
1.3.5 SUBMISSION OF BID PROPOSAL	12
1.3.6 DOCUMENT REVIEW.....	13
1.4 ADDITIONAL INFORMATION	13
1.4.1 REVISIONS TO THIS RFP	13
1.4.2 ADDENDUM AS A PART OF THIS RFP	13
1.4.3 ISSUING OFFICE	14
1.4.4 BIDDER RESPONSIBILITY.....	14
1.4.5 COST LIABILITY	14
1.4.6 CONTENTS OF BID PROPOSAL	14
1.4.7 PRICE ALTERATION	14
1.4.8 JOINT VENTURE	14
2.0 DEFINITIONS	15
2.1 STANDARD DEFINITIONS	15
2.2 CONTRACT SPECIFIC DEFINITIONS.....	15
3.0 SCOPE OF WORK	19
3.1 KICK-OFF MEETING.....	19
3.2 WEEKLY TELECONFERENCES	19
3.3 MONTHLY PROGRESS REPORTS.....	19
3.4 MEETINGS	19
3.5 BPU CONTRACT MANAGER AND CEEEP.....	20
3.6 APPROACH TO EVALUATION REPORT (WORK PLAN).....	20
3.7 COORDINATE WITH OTHER NATIONAL/REGIONAL EVALUATION ACTIVITIES	21
3.8 REVIEW PREVIOUS STUDIES.....	21
3.9 MARKET ASSESSMENTS	21
3.10 ISSUES TO BE ADDRESSED THROUGH THE MARKET ASSESSMENTS	22
3.11 MARKET INDICATORS.....	22
3.12 QUESTIONS TO BE ANSWERED THROUGH THE MARKET ASSESSMENTS.....	23
3.13 EVALUATION METHODOLOGIES	23
3.14 MARKET SHARE MONITORING	23
3.14.1 ASSESS THE MARKET OVERALL.....	23
3.14.2 MARKET SHARE MONITORING	24
3.15 PERFORM BASELINE STUDIES.....	24
3.16 REVIEW AND REVISE THE PERFORMANCE INDICATORS.....	25
3.17 DETERMINE CONTRIBUTION OF PROGRAMS TOWARD MEETING OVERALL GOALS	25
3.18 C&I MARKET BARRIER AND SEGMENTATION REPORT.....	26
3.19 UPGRADE OF ENERGY EFFICIENCY CODES AND STANDARDS	26
3.20 RECOMMEND ADJUSTMENTS TO INCENTIVE LEVELS.....	26
3.21 MARKET ASSESSMENT SERVICES REPORT	27
4.0 PROPOSAL PREPARATION AND SUBMISSION	28
4.1 GENERAL.....	28
4.2 PROPOSAL DELIVERY AND IDENTIFICATION	28
4.3 NUMBER OF BID PROPOSAL COPIES	28

4.4 PROPOSAL CONTENT	28
4.4.1 SECTION 1 – FORMS.....	29
4.4.1.1 COVER SHEET	29
4.4.1.2 OWNERSHIP DISCLOSURE FORM	29
4.4.1.3 MACBRIDE PRINCIPLES CERTIFICATION.....	29
4.4.1.4 AFFIRMATIVE ACTION	30
4.4.1.5 BUSINESS REGISTRATION CERTIFICATE FROM THE DIVISION OF REVENUE	30
4.4.1.6 EXECUTIVE ORDER 134	30
4.4.1.7 SET ASIDE CONTRACTS	30
4.4.1.8 EXECUTIVE ORDER 129	30
4.4.1.9 BID BOND	30
4.4.2 SECTION 2 - TECHNICAL PROPOSAL	30
4.4.2.1 MANAGEMENT OVERVIEW	31
4.4.2.2 CONTRACT MANAGEMENT	31
4.4.2.3 CONTRACT SCHEDULE	32
4.4.2.4 MOBILIZATION AND IMPLEMENTATION PLAN	32
4.4.2.5 POTENTIAL PROBLEMS	32
4.4.3 SECTION 3 - ORGANIZATIONAL SUPPORT AND EXPERIENCE.....	32
4.4.3.1 LOCATION	32
4.4.3.2 ORGANIZATION CHART (CONTRACT SPECIFIC).....	32
4.4.3.3 RESUMES.....	33
4.4.3.4 BACKUP STAFF	33
4.4.3.5 ORGANIZATION CHART (ENTIRE FIRM)	33
4.4.3.6 EXPERIENCE OF BIDDER ON CONTRACTS OF SIMILAR SIZE AND SCOPE	33
4.4.3.7 FINANCIAL CAPABILITY OF THE BIDDER	33
4.4.3.8 SUBCONTRACTOR(S).....	33
4.4.3.9 DISCLOSURE OF INVESTIGATIONS/ACTIONS INVOLVING BIDDER.....	34
4.4.4 SECTION 4 - PRICE PROPOSAL.....	34
5.0 SPECIAL TERMS AND CONDITIONS.....	35
5.1 PRECEDENCE OF CONTRACTUAL TERMS AND CONDITIONS	35
5.2 BPU CONTRACT MANAGER	35
5.2.1 BPU CONTRACT MANAGER RESPONSIBILITIES	35
5.2.2 OTHER DUTIES OF THE BPU CONTRACT MANAGER	35
5.2.3 COORDINATION WITH THE BPU CONTRACT MANAGER.....	36
5.3 PERFORMANCE BOND.....	36
5.4 BUSINESS REGISTRATION.....	36
5.5 CONTRACT TERM AND EXTENSION OPTION.....	37
5.6 CONTRACT TRANSITION	37
5.7 AVAILABILITY OF FUNDS	37
5.8 CONTRACT AMENDMENT	37
5.9 CONTRACTOR RESPONSIBILITIES.....	37
5.10 SUBSTITUTION OF STAFF	38
5.11 SUBSTITUTION OR ADDITION OF SUBCONTRACTOR(S)	38
5.12 OWNERSHIP OF MATERIAL.....	38
5.13 DATA CONFIDENTIALITY	39
5.14 NEWS RELEASES	39
5.15 ADVERTISING.....	39
5.16 LICENSES AND PERMITS.....	39
5.17 CLAIMS AND REMEDIES	39
5.17.1 CLAIMS	39
5.17.2 REMEDIES	39
5.17.3 REMEDIES FOR NON-PERFORMANCE	39
5.18 LATE DELIVERY	39
5.19 RETAINAGE	40
5.20 STATE'S OPTION TO REDUCE SCOPE OF WORK.....	40
5.21 SUSPENSION OF WORK	40
5.22 CHANGE IN LAW	40
5.23 CONTRACT PRICE INCREASE (PREVAILING WAGE).....	40
5.24 ADDITIONAL WORK AND/OR SPECIAL PROJECTS.....	40
5.25 FORM OF COMPENSATION AND PAYMENT	41
5.25.1 PAYMENT TO CONTRACTOR.....	41

5.26 CONTRACT ACTIVITY REPORT	41
5.27 REQUIREMENTS OF EXECUTIVE ORDER 134.....	41
5.27.1 DEFINITIONS.....	41
5.27.2 BREACH OF TERMS OF EXECUTIVE ORDER 134.....	42
5.27.3 CERTIFICATION AND DISCLOSURE REQUIREMENTS	42
5.27.4 STATE TREASURER REVIEW.....	43
5.28 REQUIREMENTS OF EXECUTIVE ORDER 129.....	43
5.28.1 SOURCE DISCLOSURE REQUIREMENTS	43
5.28.2 BREACH OF CONTRACT OF EXECUTIVE ORDER 129	43
6.0 PROPOSAL EVALUATION/CONTRACT AWARD.....	44
6.1 PROPOSAL EVALUATION COMMITTEE	44
6.2 ORAL PRESENTATION AND/OR CLARIFICATION OF BID PROPOSAL	44
6.3 EVALUATION CRITERIA	44
6.3.1 THE BIDDER'S GENERAL APPROACH AND PLANS IN MEETING THE REQUIREMENTS OF THIS RFP.....	44
6.3.2 THE BIDDER'S PRICE PROPOSAL	45
6.3.3 BID DISCREPANCIES	45
6.4 CONTRACT AWARD.....	45
7.0 ATTACHMENTS, SUPPLEMENTS AND APPENDICES.....	46
ATTACHMENT 1 - OWNERSHIP DISCLOSURE FORM	47
ATTACHMENT 1A - DISCLOSURE OF INVESTIGATIONS AND ACTIONS INVOLVING BIDDER.....	48
ATTACHMENT 2 - MACBRIDE PRINCIPLES FORM.....	49
ATTACHMENT 3 – AFFIRMATIVE ACTION SUPPLEMENT	50
ATTACHMENT 4 - SUBCONTRACTOR SET ASIDE FORMS.....	53
ATTACHMENT 5 - PRICE SCHEDULES.....	57
ATTACHMENT 6 – EXECUTIVE ORDER 129 CERTIFICATION.....	69
ATTACHMENT 7 - RECIPROCITY FORM	70
APPENDICES.....	71
APPENDIX 1 NJ STATE STANDARD TERMS AND CONDITIONS.....	72
APPENDIX 2 SUMMARY OF RECENT MARKET ASSESSMENTS/BASELINE STUDIES.....	79
APPENDIX 3 PERFORMANCE INDICATORS	106
APPENDIX 4 PROGRAM GOALS	109

1.0 INFORMATION FOR BIDDERS

1.1 PURPOSE AND INTENT

This Request for Proposal (RFP) is issued by the Purchase Bureau, Division of Purchase and Property, Department of the Treasury (the "Division"), on behalf of the State of New Jersey, Board of Public Utilities (BPU), Office of Clean Energy (OCE).

The purpose of this RFP is to solicit bid proposals to engage a contractor to perform an evaluation of New Jersey's marketplace for the delivery of energy efficiency technologies. The project will have three main objectives:

- Update baseline studies and estimates used as performance indicators.
- Assess the energy efficiency markets building upon recent market potential studies.
- Provide recommendations supported by studies and analysis regarding the future direction of the programs such as modifying the portfolio of programs, modifying rebate levels, adding or removing technologies eligible for rebates or increasing the minimum efficiencies to be eligible for rebates.

One Contractor will be engaged via this competitive solicitation conducted in accordance with Division procurement procedures. The research will be managed by Rutgers University's Center for Energy, Economic and Environmental Policy (CEEPP).

The expected services are described in [RFP Section 3.0](#) (Scope of Work).

The intent of this RFP is to award a contract to that responsible bidder whose bid proposal, conforming to this RFP, is most advantageous to the State, price and other factors considered. The State of New Jersey is not obligated to award contracts to the lowest priced bidder. A major factor in determining which bidder is most advantageous will be the quality of the bidder's plan to achieve the New Jersey Clean Energy's goals and objectives as set forth in this RFP. Each bidder's bid proposal will be evaluated as specified in Section 6.3. The General Approach and Plans will be evaluated in accordance with Section 6.3.1. The bidder's prices will be ranked in accordance with Section 6.3.2. The combination of each bidder's General Approach and Plans and the bidder's prices will then be evaluated together and compared to all the other bidder's approach and prices. From that evaluation, the evaluation committee will determine that responsible bidder whose bid proposal, conforming to this RFP, is most advantageous to the State, price and other factors considered.

It is the intent of this RFP that all work be completed within four (4) to six (6) months of contract award.

1.2 BACKGROUND

The contractor shall perform all the market assessments specified herein and shall deliver all the deliverables specified. The work of this contract focuses on the energy efficiency programs administered by the BPU OCE (OCE) and managed by the state's seven investor owned electric and natural gas utilities. The results of the market assessments should assist the OCE in understanding the energy product markets in general and the markets for energy efficiency technologies promoted by the programs identified below. The results of this contract shall help OCE adjust and modify the programs so they more effectively shift the New Jersey markets toward the use of more energy efficient technologies. The ultimate goal is market transformation, such that the purchase of energy efficiency technologies becomes the standard purchasing practice in New Jersey without the need for rebates or incentives

The specific programs that the contractor shall review and produce recommendations as part of this contract are:

Residential Energy Efficiency Programs:

1. Residential Electric and Gas HVAC Program
2. Residential New Construction (RNC) Program
3. Energy Star Products Program

Commercial and Industrial Energy Efficiency Programs:

1. C&I Construction Program – Energy Efficient Construction Program
2. C&I Construction Program – Combined Heat and Power Program

Information on all these programs is available at the OCE web site www.njcleanenergy.com :

1.2.1 DESCRIPTION OF THE OCE AND NJCEP

The OCE is dedicated to making New Jersey a clean energy leader through the advancement and use of energy efficient and renewable energy technologies. New Jersey's Clean Energy Program (NJCEP) is a Statewide program designed to help all classes of ratepayers reduce energy use, lower costs and protect the environment. The program is administered by the OCE. It provides education, information, and financial incentives for renewable energy systems and energy efficiency measures including combined heat and power generation. Funding is provided through the Societal Benefits Charge (SBC), which is paid by customers of the State's investor owned electric and gas utilities and includes contributions to a "Clean Energy Public Trust Fund". BPU established the OCE to administer this fund.

BPU ordered that \$140 million be collected in 2005 and that a total of \$745 million be collected in the years 2005 through 2008 to fund NJCEP. The administrative budget for OCE represents approximately ten percent of the total available funds and includes funds to support a market assessment and other evaluation activities.

On February 9, 1999, the Electric Discount and Energy Competition Act, N.J.S.A. 48: 3-49 et seq. (EDECA or Act) required that within four months of its effective date, and every four years thereafter, the BPU shall initiate a proceeding and cause to be undertaken a comprehensive resource analysis (CRA) of energy programs and determine the appropriate level of funding for energy efficiency and Class 1 renewable energy and the programs to be funded. EDECA requires that energy efficiency and renewable energy programs be funded for a minimum of eight years and sets out a minimum funding level.

By Order dated March 9, 2001, Docket Nos. EX99050347 et al., BPU issued its first CRA decision that addressed program administration, program funding levels and programs to be funded for the first four years. That Board Order established an overall statewide funding level of \$358.452 million for the years 2001 through 2003. The Order also approved specific programs and program budgets to be funded. By Order dated July 27, 2004, Docket No. EX03110945 et al., the BPU established a 2004 funding level of \$124.126 million.

By Order dated January 22, 2003, Docket No. EX99050347 et al., the BPU established the New Jersey Clean Energy Council (CEC) to advise the BPU on matters related to NJCEP. Over the course of 2003, the CEC considered various issues related to the administrative structure of NJCEP. The CEC submitted its initial recommendations to the BPU in a report dated July 21, 2003.

By Order dated September 11, 2003, Docket No. EO02120955, the BPU adopted the recommendations set out in the report of the CEC. The BPU directed the OCE to assume the role of administrator of NJCEP after an adequate transition period and to establish a fiscal agent to administer program funds.

Most of the energy efficiency programs (those being the Residential Energy Efficiency Programs and the Commercial and Industrial Energy Efficiency Programs) are currently managed and delivered by the state's electric and gas utilities and the renewable energy programs are managed and delivered by the OCE. The OCE anticipates the release of RFPs to hire program managers to manage and deliver the energy efficiency and renewable energy programs in 2005. The transition of program management from the utilities to the selected program managers is expected to occur later in 2005.

The CEC provides the BPU with recommendations regarding programs and program budgets on an annual basis and provides high level review and input regarding evaluation activities. The OCE manages the renewable programs and provides direct oversight of the programs managed by other entities that currently includes the utilities, the New Jersey Economic Development Authority (EDA) and the New Jersey Department of Environmental Protection (DEP).

The BPU initiated the second CRA proceeding in May of 2004. By Order dated December 23, 2004, Docket No. EX04040276, the BPU approved the funding levels for the years 2005 through 2008 and determined 2005 programs and budgets. The BPU established a four year funding level of \$745 million for energy efficiency and renewable energy.

Rutgers University's Center for Energy, Economic and Environmental Policy (CEEPP) has been engaged by the BPU to manage and in some cases conduct evaluations of activities funded by NJCEP. CEEPP will assist

in the evaluation of proposals submitted pursuant to this RFP and will perform the duties of BPU Contract Manager as set out in Section 5.2 below.

The market assessments will build upon the market potential studies recently completed by Navigant Consulting, Inc. and KEMA, Inc. as well as other studies that address New Jersey (NJ) markets. Appendix A summarizes evaluation studies for New Jersey that were performed to support many of the existing programs. These studies are available at:

http://njcleanenergy.com/html/5library/nj_baseline_studies.html or,
<http://www.state.nj.us/bpu/cleanEnergy/cleanEnergyProg.shtml>

1.2.2 GOALS AND OBJECTIVES

The two primary purposes for conducting evaluations and research regarding energy efficiency programs are: 1) to reliably document program effects, and 2) to recommend changes in program designs and operations with the intent to make these programs more effective at meeting energy savings or other program goals. Evaluation and research activities are intended to provide a continuous feedback loop to policymakers, program administrators and program managers. The evaluation and research activities will supplement various evaluations recently performed or currently underway.

Program evaluation and related research is best done systematically in steps over several years. Periodic evaluations are vital to track progress and improve and adjust program designs to meet the targeted objectives of different programs. In addition to achieving energy savings, many programs are intended to reduce barriers to the penetration of new technologies.

One of the purposes of this RFP is to hire a contractor to evaluate the energy saving technologies and to suggest new and better ways to reduce barriers that impede the use of new technologies. The chief goal of evaluation is to objectively study the qualitative and quantitative effects of the programs. *Qualitative effects* involve customers' awareness and understanding of the benefits of the programs and the energy efficient technologies. They also include: 1) assessments of the program's design and implementation; 2) barriers that limit program performance; 3) changes to codes and standards, and 4) other actions that signify progress towards the programs goals.

Quantitative effects include the measurable reductions of kW, kWh and therm demand that are the result of efficiency improvements that can be attributed to the OCE programs.

Evaluation of programs also includes the use of performance indicators. *Performance indicators* include quantitative and qualitative measures specifically designed to monitor progress towards the goals of market transformation. Performance indicators for market transformation programs evolve over time. Specific performance indicators developed for each market transformation program reflect that progression, starting with indicators of awareness. As the programs evolve, understanding and behavioral change should also be assessed.

The objectives of this evaluation of the programs are:

1. To provide an assessment of how well each program is meeting its goals. This entails measuring and documenting performance indicators and documenting achievement of metrics. This also entails the development of prioritized performance indicators and goals for the new program managers and new programs. The performance indicators developed for the programs currently managed by the utilities are set out in [Appendix 3](#) attached hereto. The goals developed for the programs currently managed by the utilities are set out in [Appendix 4](#) attached hereto. The performance indicators and goals currently utilized were based on research performed several years ago and are in need of updating.

By Order dated December 23, 2004 the BPU approved overall energy saving goals for the energy efficiency programs for the years 2005 through 2008. However, individual program energy savings goals that correlate with the overall goals established by the BPU have not been developed. One of the objectives of the contract that results from this RFP is to determine the level of savings that can be achieved by each program and if the existing line-up of programs can achieve the BPU's overall goal for energy savings.

2. To provide an assessment of the impact the programs are having on reducing total energy demand through the increase in the use of energy efficient technologies and renewable energy generation systems. Protocols define the processes for computing energy and demand savings from
 - a. energy efficient technologies and
 - b. generation from renewable energy systems.

Certain protocols require evaluation inputs to measure appropriate market parameters (e.g. volume, market shares, etc.) for energy efficient products being promoted, or technical inputs (operating characteristics, market baselines, etc).

The most recent Protocols to Measure Resource Savings approved by the BPU are available on the BPU's web site at:

http://www.state.nj.us/bpu/wwwroot/cleanEnergy/EO04080894_20041223.pdf

3. To provide a feedback mechanism to program planners and managers. Assessments of programs are used to inform and improve program design, and provide information to program managers who will use that information to develop new marketing campaigns, to promote new energy efficient products and reduce barriers to the use of energy efficient technologies. The assessments that result from this contract must provide the feedback to program planners and managers so informed program adjustments can be enacted.
4. To provide information for decision-making.
5. To provide objective input and guidance on the effectiveness of the programs in meeting long term goals. The goals are to move the market away from inefficient energy usage and permanently move the market toward the use of energy efficient technologies and services.
6. To identify/confirm key leverage points in the energy markets where programs enacted by the OCE will attain the largest market impact.
7. To evaluate the sustainability of program efforts and duration of support necessary to achieve market effects that last. The long term goal of the energy efficiency programs is to move the markets into the permanent and self sustaining use of energy efficient technologies that will continue long term without the need for incentives.

While the need for market assessment services is driven by these broad objectives, it is important to emphasize that evaluations must be tailored to the specific needs of each program. Programs differ widely in accordance with the customers targeted, services provided, program designs, and specific objectives. Each program requires a different approach to evaluate its effectiveness. In addition, the need for timely feedback means that program evaluation evolves according to changing needs, rather than serving as a static, annual snapshot.

Systematic tracking of performance indicators to support baseline and market developments is vitally important to assessing market changes. Market assessments attempt to compare how energy consumption markets would have evolved without the energy efficiency programs, how patterns of energy consumption have been changed toward the use of energy efficient technologies and to measure if and how such changes can be attributed to the programs. One tool that the contractor will use to track performance indicators is the use of customer surveys or other market penetration studies.

Tracking market information from a supplier's perspective is also important in developing baseline studies that will be used to show how markets have changed due to the programs. Formal surveys of market information from the supplier perspective are often difficult to obtain because of time lags associated with assembling market-level information or because of confidentiality concerns of manufacturers and retailers. Therefore, data used to update market shares and prices and other market indicators typically include a mix of sales data from formal sources, such as trade associations and subcontractors to the federal Environmental Protection Agency (EPA) Energy Star program, and from results of surveys conducted by independent contractors as part of the evaluation activities. Ideally, baseline studies and baseline updates should include predictions of how the market would have evolved without the energy savings programs and provide a clear assessment of the reliability of those predictions. Any assessment of changes in markets shall be developed systematically and shall be supported with accurate statistics.

1.3 KEY EVENTS

1.3.1 ELECTRONIC QUESTION AND ANSWER PERIOD

It is the policy of the Purchase Bureau to accept questions and inquiries from all vendors by e-mail. Written questions should be e-mailed to the Purchase Bureau to the attention of the assigned Purchase Bureau buyer at the following address:

E- Mail: james.strype@treas.state.nj.us

After the submission of bid proposals, unless requested by the State, contact with the State is limited to status inquiries only and such inquiries are only to be directed to the buyer. Any further contact or information about the proposal to the buyer or any other State official connected with the solicitation will be considered an impermissible supplementation of the bidder's bid proposal.

1.3.1.1 QUESTION PROTOCOL

Questions should be e-mailed in writing to the email address noted above. Questions should be directly tied to the RFP by the writer. Questions should be asked in consecutive order, from beginning to end, following the organization of the RFP. Each question should begin by referencing the RFP page number and section number to which it relates.

1.3.1.2 CUT-OFF DATE FOR QUESTIONS AND INQUIRIES

The cut-off date for questions and inquiries relating to this RFP is **June 29, 2005 at 5:00 PM**. Addenda, if any, to this RFP will be posted to the Purchase Bureau website (see Section 1.4.1. of this RFP for further information.)

1.3.2 MANDATORY SITE VISIT

Not applicable

1.3.3 MANDATORY PRE-BID CONFERENCE

Not applicable

1.3.4 OPTIONAL PRE-BID CONFERENCE:

Not applicable

1.3.5 SUBMISSION OF BID PROPOSAL

In order to be considered for award, the bid proposal must be received by the Purchase Bureau of the Division of Purchase and Property at the appropriate location by the required time. **ANY BID PROPOSAL NOT RECEIVED ON TIME AT THE RIGHT PLACE WILL BE REJECTED. THE DATE, TIME AND LOCATION ARE:**

DATE:	July 28, 2005
TIME:	2:00 P.M.
LOCATION:	<p>BID RECEIVING ROOM - 9TH FLOOR PURCHASE BUREAU DIVISION OF PURCHASE AND PROPERTY DEPARTMENT OF THE TREASURY 33 WEST STATE STREET, P.O. BOX 230 TRENTON, NJ 08625-0230</p> <p>Directions to the Purchase Bureau can be found on the following website: http://www.state.nj.us/treasury/purchase/directions.shtml</p>

1.3.6 DOCUMENT REVIEW

The following are publicly available documents that bidders need to review in order to prepare and submit accurate and comprehensive bid proposals:

- NJCEP information that is available online at www.njcleanenergy.com
- Additional information related to OCE, State policies and program governance that can be found at the BPU website, <http://www.bpu.state.nj.us>

The BPU has posted relevant materials to the NJCEP website to provide bidders with the opportunity to review supplemental materials relevant to this procurement. The NJCEP website provides bidders access to information that may be needed to prepare and submit accurate and comprehensive proposals. Such review, while recommended, is not mandatory.

No questions or inquiries regarding the substance of the RFP will be accepted or answered during the period of the document review except as submitted in accordance with RFP [Section 1.3.1](#).

1.4 ADDITIONAL INFORMATION

1.4.1 REVISIONS TO THIS RFP

In the event that it becomes necessary to clarify or revise this RFP, such clarification or revision will be by addendum.

ALL RFP ADDENDA WILL BE ISSUED ON THE PURCHASE BUREAU WEB SITE.

To access addenda the bidder must select the bid number on the purchase bureau bidding opportunities web page at the following address:

[HTTP://WWW.STATE.NJ.US/TREASURY/PURCHASE/BID/SUMMARY/BID.SHTML](http://www.state.nj.us/treasury/purchase/bid/summary/bid.shtml)

There are no designated dates for release of addenda. Therefore interested bidders should check the Purchase Bureau "Bidding Opportunities" website on a daily basis from time of RFP issuance through bid opening.

It is the sole responsibility of the bidder to be knowledgeable of all addenda related to this procurement.

1.4.2 ADDENDUM AS A PART OF THIS RFP

Any addenda to this RFP shall become part of this RFP and part of any contract resulting from this RFP.

1.4.3 ISSUING OFFICE

This RFP is issued by the Purchase Bureau, Division of Purchase and Property. The buyer noted in Section 1.3.1 is the sole point of contact between the bidder and the State for purposes of this RFP.

1.4.4 BIDDER RESPONSIBILITY

The bidder assumes sole responsibility for the complete effort required in this RFP. No special consideration shall be given after bids are opened because of a bidder's failure to be knowledgeable of all the requirements of this RFP. By submitting a bid proposal in response to this RFP, the bidder represents that it has satisfied itself, from its own investigation, of all the requirements of this RFP.

1.4.5 COST LIABILITY

The State assumes no responsibility and bears no liability for costs incurred by bidders before the award of the contract resulting from this RFP.

1.4.6 CONTENTS OF BID PROPOSAL

Subsequent to bid opening, all information submitted by bidders in response to the bid solicitation is considered public information, except as may be exempted from public disclosure by the Open Public Records Act, N.J.S.A. 47:1A-1 et seq., and the common law. A bidder may designate specific information as not subject to disclosure when the bidder has a good faith legal/factual basis for such assertion. The State reserves the right to make the determination and shall so advise the bidder. The State will not honor attempts by bidders either to designate their entire bid proposal as proprietary and/or to claim copyright protection for their entire proposal.

The entire content of every bid proposal will be publicly opened and becomes a public record. This is the case notwithstanding any statement to the contrary made by a bidder in its bid proposal.

All bid proposals, as public records, are available for public inspection. Interested parties can make an appointment with the Purchase Bureau buyer to inspect bid proposals received in response to this RFP.

1.4.7 PRICE ALTERATION

Bid prices must be typed or written in ink. Any price change (including "white-outs") must be initialed. Failure to do so may preclude an award being made to the bidder.

1.4.8 JOINT VENTURE

If a joint venture is submitting a bid proposal, the agreement between the parties relating to such joint venture should be submitted with the joint venture's bid proposal. Authorized signatories from each party comprising the joint venture must sign the bid proposal. A separate Ownership Disclosure Form, Affirmative Action Employee Information Report, MacBride Principles Certification, and business registration must be supplied for each party to a joint venture.

2.0 DEFINITIONS

The following definitions shall be part of any contract awarded or order placed as result of this RFP.

2.1 STANDARD DEFINITIONS

Addendum – Written clarification or revision to this RFP issued by the Purchase Bureau.

Amendment – A change in the scope of work to be performed by the contractor. An amendment is not effective until it is signed by the Director, Division of Purchase and Property.

Bidder - An individual or business entity submitting a bid proposal in response to this RFP.

Bid Proposal – The bidders response to this Request for Proposal.

Contract - This RFP, any addendum to this RFP, and the bidder's proposal submitted in response to this RFP, as accepted by the State.

Contractor - The contractor is the bidder awarded a contract.

Director - Director, Division of Purchase and Property, Department of the Treasury. By statutory authority, the Director is the chief contracting officer for the State of New Jersey.

Division - The Division of Purchase and Property

Evaluation Committee - A committee established by the Director to review and evaluate bid proposals submitted in response to this RFP and to recommend a contract award to the Director.

Labor Rate (Fully Loaded Firm Fixed Price) - A price that is all-inclusive of direct cost and indirect costs, including, but not limited to, direct labor costs, overhead, fee or profit, clerical support, equipment, materials, supplies, managerial (administrative) support, all documents, reports, forms, travel, reproduction, and any other costs. No additional fees or costs shall be paid by the State unless there is a change in the scope of work.

May - Denotes that which is permissible, not mandatory.

Project - The undertaking or services that are the subject of this RFP.

Request for Proposal (RFP) – This document which establishes the bidding and contract requirements and solicits bid proposals to meet the purchase needs of the using Agencies as identified herein.

Shall or Must – Denotes that which is a mandatory requirement. Failure to meet a mandatory requirement will result in the rejection of a bid proposal as materially non-responsive.

Should - Denotes that which is recommended, not mandatory.

Subtasks – Detailed activities that comprise the actual performance of a task.

State - State of New Jersey.

Task – A discrete unit of work to be performed.

Using Agency - The entity for which the Division of Purchase and Property in the Department of Treasury has issued this RFP and will enter into a contract. The BPU is the using agency for the purposes of this contract.

2.2 CONTRACT SPECIFIC DEFINITIONS

2005 Program Plan – This plan provides the descriptions of the NJCEPs as being implemented in 2005 by the Utilities.

Agreement – The Contract to be awarded for the proposed services and all Attachments thereto, as all may be amended from time to time.

Board, BPU – The Commissioners of the New Jersey Board of Public Utilities.

BPU Contract Manager – The individual responsible for the approval of all deliverables, i.e., tasks, sub-tasks or other work elements in the Scope of Work as set forth in Sections 3.0.

C&I Construction Program – A program that provides incentives for commercial and industrial customers to install high efficiency lighting and equipment and to design and construct energy efficient buildings, both new and retrofit.

CEECP – The Center for Energy, Economic and Environmental Policy (CEECP) at Rutgers University's Bloustein School of Public Policy and Planning has been engaged by the Board to manage the NJ Clean Energy Program evaluation and research efforts.

Clean Energy Council (CEC) – The New Jersey Clean Energy Council established in the Board's Order of January 22, 2003 provides recommendations to the Board concerning the Clean Energy Program. The CEC consists of representatives of government entities, academia, private firms and public interest groups.

Clean Energy Program – As established in the Board Order dated December 22, 2003, the New Jersey Board of Public Utilities program for advancing and promoting energy efficiency and renewable energy programs. The program is designed to provide environmental, economic and energy benefits to New Jersey. The program developed from the Comprehensive Resource Assessment (CRA) referenced below.

Commercial and Industrial (C&I) Energy Efficiency Program – Any NJCEP that targets commercial and industrial customers of the State's investor owned electric and natural gas utilities.

Compliance Filing – A program plan that the Board may require from program managers which the Board or the OCE may accept in full or with modifications or may reject.

Consortium for Energy Efficiency (CEE) – Nonprofit public benefits corporation that develops national initiatives to promote the manufacture and purchase of energy-efficient products and services.

CRA – The comprehensive resource analysis (CRA) of energy programs as required by N.J.S.A. 48:3-60a(3) which directed the Board to initiate a proceeding and to determine the appropriate level of funding and the appropriate energy efficiency and Class 1 renewable energy programs (jointly the Clean Energy Program) to be funded by the SBC.

Custom Measure – C&I rebates available for energy efficiency measures not otherwise eligible as a prescriptive measure. Rebates for custom measures are calculated on a case-by-case basis.

DEP – The New Jersey Department of Environmental Protection.

DSM - Demand-side Management.

EDA – The New Jersey Economic Development Authority.

Electric Discount and Energy Competition Act or "EDECA" - The New Jersey State legislation found at N.J.S.A. 48:3-49, et seq. The Act established requirements to advance energy efficiency and renewable energy in New Jersey through the societal benefits charge (SBC) at N.J.S.A. 48:3-60a (3).

Energy - Electric energy measured in kilowatt hours (kWh) or natural gas energy measured in therms.

Energy Star Products Program – A program that provides customers, retailers, distributors and manufacturers with incentives to manufacture, distribute, buy and sell Energy Star products.

FA - The Fiscal Agent described in this RFP and the MOA. The person or entity selected and retained by the Board to receive and disburse funds collected by the utility companies from ratepayers for the provision of services and programs under the NJCEP. In its September 13, 2003 Order the Board authorized the OCE to contract for the services of a fiscal agent to handle the funds and disbursements of these funds. The duties and responsibilities of the Fiscal Agent have since been transferred to the New Jersey Clean Energy Trust Fund administrated by the New Jersey Department of the Treasury.

Incentive – Incentives include rebates, payments to customers for design support, or technical support.

KEMA – KEMA, Inc.

KW – Kilowatt; a measure of electric capacity.

KWh – Kilowatt-hour; a measure of electric usage.

Market Development – The increased availability and delivery of products and services to consumers, and that these products and services are more broadly available at appropriate price, quality and quantity.

Market Transformation – Market transformation is achieved when the market is transformed such that the purchase of an energy efficiency technology becomes the standard purchasing practice in New Jersey without the need for rebates or incentives.

MOA – The Memorandum of Agreement executed May 5, 2004 with Addendum No. 1 among the OCE and the seven (7) electric and gas public utilities of the State of New Jersey.

Navigant – Navigant Consulting, Inc.

NJ Clean Energy Trust Fund – New Jersey Department of the Treasury, Division of Administration, Office of Fiscal and Resources manages the funds collected by the electric and gas utilities (see Societal Benefits Charge).

Office of Clean Energy (OCE, or NJOCE) – The New Jersey Board of Public Utilities, Office of Clean Energy.

Prescriptive Measures – Prescriptive measures include all measures for which a specific rebate level is identified in the program description.

Program Manager – The contractors responsible for the function of managing and implementing Clean Energy Programs.

Rebate – A payment to a customer that installs a qualified energy efficiency measure.

Renewable Energy Program – Any New Jersey's Clean Energy Program that provides incentives for the installation of facilities that generate electricity using renewable resources or promotes the development of a New Jersey based renewable energy business.

Residential Energy Efficiency Program – Any New Jersey's Clean Energy Program that targets residential customers of the State's investor owned electric and natural gas utilities.

Residential HVAC Program – A program that provides residential customers with incentives to purchase high efficiency heating and air conditioning equipment.

Residential New Construction Program – A program that provides builders with incentives to construct new homes that meet New Jersey Energy Star Home standards

Response - The applicant's response to this solicitation.

Societal Benefits Charge – In accordance with the Act, each electric and gas public utility collect funding for programs approved under the NJCEP through a societal benefits charge ("SBC"). The SBC is a non-

bypassable distribution charge imposed on all electric and gas utility customers as appropriate N.J.S.A. 48:3-60(a)(3).

Solicitation – This document which establishes the bidding and contract requirements and solicits bid proposals to meet the purchase needs of the using Agencies as identified herein.

Supplier – Company or individual that supplies products or services used by NJCEP.

T&D - Transmission and distribution.

Therm– A therm is equal to 100,000 Btu's, a measure of natural gas usage.

Work - The Scope of Services identified in the applicant's response to this solicitation.

3.0 SCOPE OF WORK

The contractor shall evaluate and assess the success of the energy efficiency programs in attaining programs goals and suggest improvements or changes that will be more effective in meeting those goals. As programs are evaluated, the contractor shall develop or update the protocols that will be used in the future. Cost-effectiveness analyses should use inputs that are consistent with and constructed from the updated protocols. Results of assessments may be used to support performance incentives for program managers.

3.1 KICK-OFF MEETING

Within five (5) business days following contract award, the contractor, the OCE and the CEEEP from Rutgers University will meet in Trenton, New Jersey and discuss all aspects of the contract. The contractor's project manager shall attend as well as any other key staff from the contractor as deemed necessary by the OCE. The contractor's accounting staff shall also be present to discuss billing and payment issues. All aspects of the contractor's approach to collecting and evaluating data will be discussed at the kick-off meeting. The contractor shall submit a summary report of the kickoff meeting (minutes) within five (5) business days of the kickoff meeting.

Deliverable: The contractor shall attend the kickoff meeting and deliver the kickoff meeting summary report.

3.2 WEEKLY TELECONFERENCES

The contractor and the BPU Contract Manager shall hold teleconferences on a weekly basis for the duration of the contract. The purpose of the teleconference is for the contractor to update the BPU Contract Manager on the progress of work. This teleconference may be held by phone, instant messaging or any other method that is mutually agreeable to the contractor and the BPU Contract Manager. The contractor shall summarize the teleconference with an email to the BPU Contract Manager and any other party so designated by the BPU Contract Manager. The BPU Contract Manager may expand the teleconference to include the OCE, members of CEEEP or third parties.

Incidental telephone calls between teleconferences shall not be considered billable teleconferences. The BPU Contract Manager may cancel or postpone a scheduled teleconference. The contractor shall not invoice the BPU for teleconferences that are not held. It is anticipated that weekly teleconferences will take one hour or less.

Deliverable: Weekly teleconference with a written summary submitted as an email.

3.3 MONTHLY PROGRESS REPORTS

The contractor shall prepare a monthly progress report that discloses the progress of work to date, the attainment of milestones, work left to be done, a discussion of any delays in work and a justification for any schedule modifications for the term of the contract. The monthly progress report will focus on the work performed in the prior month and the work anticipated in the upcoming month. At the kickoff meeting a regular schedule for reporting contractor activities (monthly) will be discussed and agreed upon. The Monthly Progress Report shall be a formal written report and shall be emailed to the BPU Contract Manager, members of the OCE, the BPU, and any other party as specified by the BPU Contract Manager. The BPU Contract Manager may cancel or postpone the delivery of a monthly progress report with at least two (2) business days notice. The contractor shall not bill the BPU for appropriately canceled progress reports.

Deliverable: The contractor shall deliver Monthly Progress Reports emailed to the BPU Contract Manager and others as specified above. The BPU Contract Manager shall review and approve the Monthly Progress Report or return it to the contractor for revision. The contractor shall revise the monthly progress report and resubmit it within three (3) business days.

3.4 MEETINGS

At any time during the course of this contract, the contractor may be required to attend meetings at Rutgers or the BPU in either Trenton or Newark. These may be informal meetings or formal presentations to the BPU

staff, the Board or members of the public. All travel to and from these meetings shall be considered part of the contract price and the contractor shall not be paid separately for travel. The contractor shall provide any status reports, deliverables or other material needed for any meeting. The contractor shall prepare minutes of the meeting and provide those minutes to the BPU Contract Manager and attendees at the meeting.

Deliverables: The contractor shall attend meetings and provide any materials or reports required for that meeting. The contractor shall prepare minutes of meetings and provide them to all meeting attendees.

3.5 BPU CONTRACT MANAGER AND CEEEP

CEEEP will designate a BPU Contract Manager and perform day-to-day contract management services. CEEEP members may make themselves available to the contractor through meetings and conference calls to assist in the fulfillment of this project. During this contract an alternate or replacement to the BPU Contract Manager may be designated at any time at the discretion of the OCE. The BPU Contract Manager shall coordinate with CEEEP and provide:

- Review and feedback on the contractor's proposed approach and methodologies
- Review and approval of proposed Approach to Evaluation Report (work plan)
- Assistance with identifying sources of information and gathering information as required
- Contacts for and coordination with Program Managers if needed
- Review and feedback on draft reports

3.6 APPROACH TO EVALUATION REPORT (WORK PLAN)

The Approach To Evaluation Report is the Work Plan for this contract. Within 15 business days following the kick-off meeting, the contractor shall prepare and submit an Approach to Evaluation Report. In this report, the contractor shall identify the approach, methods, and associated milestones necessary to complete each of the evaluation tasks set out below. The content of this report shall mirror the information provided in the bid proposal modified to reflect any adjustments discussed in the kick-off meeting.

In this report, the contractor shall describe its approach by task and deliverable. The contractor shall also describe its intent and method of collecting information on the connections between each of these tasks. The information collected will be used to better understand the opportunities for enhancing program performance. The contractor may also recommend the collection of additional information that relates to the work of this contract in the Approach to Evaluation Report. OCE and the BPU Contract Manager shall determine if any data gathering or information collection will be pursued or if the information is of sufficient value that its collection is worth the cost of collection.

In this report, the contractor shall indicate the price of collecting and assessing data, the purpose of collecting and assessing that data and the strategy behind the collection of data. The costs of collecting and assessing market data shall relate to the contract prices. If in the development of the Approach to Evaluation Report or as discussed at the kickoff meeting, it is determined that work must be changed or adjusted from that specified in the contract or from that proposed in the bid proposal, the contractor shall provide the costs for the performance of that work with the prices derived from the contract prices. If it is determined that a reduction is needed in the work from that proposed in the bid proposal, the contract prices shall be used to calculate the reduction in price. All work shall be specified in the Approach to Evaluation Report and approved by the BPU Contract Manager. There is no guarantee that work specified in a bid proposal or proposed in a draft of the Approach to Evaluation Report will be approved by the BPU Contract Manager. The contractor and the BPU Contract Manager may discuss the development of the Approach to Evaluation Report during the weekly teleconferences or by mail, email, letter, face-to-face meeting, instant messaging or fax as mutually agreed upon.

The Approach to Evaluation Report shall also include a summary of the studies and activities specified in Sections 3.8 and 3.9 and shall discuss how the information derived from those studies shall be incorporated into the work plan.

The Approach to Evaluation Report shall include a schedule with milestones and times for the completion of work and deliverables within four (4) to six (6) months of contract award. Once approved by the BPU Contract Manager, the schedule shall be contractually binding and the contractor shall meet that schedule or seek formal approval from the BPU Contract Manager should the schedule need to be modified.

The Approach to Evaluation Report shall cover all aspects of the scope of work.

A draft of the Approach to Evaluation Report shall be submitted to the BPU Contract Manager for approval prior to the start of work. The BPU Contract Manager may approve the report, approve the report in part and disapprove in part, or disapprove the report entirely. The contractor is not authorized and shall not perform work specified in the Approach to Evaluation Report that has not been approved by the BPU Contract Manager. The contractor may proceed with work in the Approach to Evaluation Report that has been approved. The contractor shall submit a revised Approach to Evaluation Report within five (5) days of any disapproval or need for modification.

After approval of the Approach to Evaluation Report, the contractor shall perform the work of this contract in accordance with the approved report. Any variances to the work plan shall be discussed with the BPU Contract Manager, shall be submitted in writing as a modification to the Approach to Evaluation Report and shall be approved by the BPU Contract Manager.

Deliverable: The contractor shall deliver a draft(s) and a final approved Approach to Evaluation Report (Work Plan).

3.7 COORDINATE WITH OTHER NATIONAL/REGIONAL EVALUATION ACTIVITIES

Several organizations, such as the Consortium for Energy Efficiency, the Northeast Energy Efficiency Partnership and the EPA, have performed or are performing regional/national market assessments/evaluations that may provide useful information regarding the NJ marketplace and may be relevant to the work of this contract. The contractor shall survey other organizations to determine if those organizations have relevant data or are collecting data relevant to this contract, shall utilize any authoritative and reliable data collected from those organizations and shall coordinate the information gathering performed under this contract with efforts of the other organizations in such a way to leverage such studies to the maximum extent practicable and minimize the duplication of effort.

3.8 REVIEW PREVIOUS STUDIES

The market assessments will build upon the market potential studies recently completed by Navigant and KEMA, as well as other studies that address NJ markets. Appendix A summarizes evaluation studies for New Jersey that were performed to support many of the existing programs. These studies are available at:

http://njcleanenergy.com/html/5library/nj_baseline_studies.html or,
<http://www.state.nj.us/bpu/cleanEnergy/cleanEnergyProg.shtml>

Deliverable: The contractor shall summarize and deliver a plan for utilizing the information included in previous studies and for leveraging other national and regional evaluation activities as set out on 3.7 and 3.8 above.

3.9 MARKET ASSESSMENTS

The contractor shall perform market assessments for the following programs:

Residential Energy Efficiency Programs:

1. Residential Electric and Gas HVAC Program
2. Residential New Construction (RNC) Program
3. Energy Star Products Program

Commercial and Industrial Energy Efficiency Programs:

1. C&I Construction Program – Energy Efficient Construction Program
2. C&I Construction Program – Combined Heat and Power Program

In performing these assessments, the contractor shall focus on the measures, services, and practices of the programs for which incentives are provided and those measures, services, technologies and practices identified in the KEMA and Navigant studies as having a high potential for savings. For the C&I program, the

contractor shall assess custom measures to determine whether any custom measures should become prescriptive measures. The contractor shall review the processes and procedures for approving custom measures and determining custom measure incentive levels.

3.10 ISSUES TO BE ADDRESSED THROUGH THE MARKET ASSESSMENTS

The contractor shall perform market assessments that address customer awareness, attitudes, activity and participation in all programs. The contractor shall perform market assessments on energy efficient product availability, common energy use practices, prices of energy efficient measures, the incremental cost of high energy efficiency measures, new energy efficient products, energy use codes and standards, the amount and distribution of energy saving technologies and the market share of those technologies. The market assessments shall include a mix of qualitative and quantitative analyses, which shall evaluate market changes over time and compare how those market changes were impacted by the programs and how the markets would have been different if the programs had not existed. The contractor shall provide future projections of market changes and trends, and how the programs can and will impact market trends.

The contractor shall assess the market overall, the influence of NJCEP on the markets as well as other market forces that have impacted the market since program implementation in 2001 to the present and shall project changes into the future. The market assessments shall study and report on barriers to the use of energy efficient technologies or renewable energy sources and shall report on expected energy efficiency market trends.

The contractor's market assessments shall provide the market information necessary to calculate energy savings from market transformation programs such as the Energy Star Products since the programs inception in 2001.

3.11 MARKET INDICATORS

Market assessments performed by the contractor shall focus on the changes and effects OCE programs have had and are having on markets. The contractor shall measure those changes and effects with the use of a set of market indicators. In order to evaluate changes in the market, it is important to evaluate changes over time in relation to baseline market conditions. The market assessments proposed and performed by the contractor shall include, but are not limited to, the market indicators noted below. Some of the questions that should be answered using these market indicators include, but are not limited to the questions noted below:

- *Awareness and Attitudes:* Are customers and suppliers aware of the benefits of energy efficient products or services, specifically the products that have rebates and incentives associated with them? Are purchasers satisfied with the energy efficient products? Have public attitudes and awareness changed over time from baseline conditions?
- *Specific Program Activity:* How many rebates and incentives have been issued? How many retailers have received training in selling energy efficient products? How many promotional special events have been held? How many contractors have been certified?
- *Availability and Common Practice:* Is the energy efficient product or service readily available? How does its availability compare with conventional products or services? To what extent are energy efficient products stocked, labeled, used by building managers or in specifications? How has this changed from baseline conditions? Are manufacturers or retailers investing in marketing this product through coop advertising or on their own?
- *Prices:* What is the average retail price of the efficient products and how does this compare with conventional products? What are the prices of energy efficiency technologies and how have prices changed over time?
- *New Products:* Are there new or modified versions of energy efficient products that would reduce barriers to customer acceptance or otherwise increase the penetration of energy efficient technologies?
- *Labels, Codes and Standards:* Have any changes been made to labels, building codes, or federal standards that would exert influence on the market for energy efficient products or services? Do opportunities exist to enact new codes or standards to mandate the use of energy efficient products or eliminate the need for rebates?
- *Amount and Distribution of Savings:* What are the estimates of individual and aggregate energy savings associated with the market transformation program? What assumptions are appropriate in

the absence of complete information about product sales and usage characteristics of program participants?

- *Market Share:* What is the market share (percent of total sales) of the energy efficient products and how has this changed over time? Have markets been transformed to the point incentives are no longer required?

3.12 QUESTIONS TO BE ANSWERED THROUGH THE MARKET ASSESSMENTS

In addition to addressing the issues set out above, the contractor's market assessment shall address the following specific questions for each technology promoted by each of the programs set out above:

- How many energy efficient products or services have been purchased? Installed?
- Is the purchase/installation of energy efficient products or services increasing? At what rate?
- What changes (or portion or degree of changes) can be attributed to the intervention of the program(s) in the market?
- How are energy efficient products distributed, purchased, and installed? What are the channels, and how have the channels changed?
- What financial mechanisms have been used to purchase these products and services?
- What influences the decision to purchase/install energy efficient products or services?
- How many and what types of market actors have participated in certification and training? Is this changing over time?
- Are energy efficient products readily available? For all technologies and services?
- Are standard practices changing or evolving? How?
- Is the current methodology for calculating custom rebates for the C&I program still appropriate?
- Is the incentive cap of \$100,000 for C&I projects appropriate?
- Do installation/commissioning practices reflect industry standards?
- Have markets been transformed such that incentives are no longer required?

3.13 EVALUATION METHODOLOGIES

The contractor shall identify and prioritize the methods and tools to be used in the market assessments. These methods and tools may include but are not limited to:

- Telephone surveys to program participants
- Mail surveys to program participants
- Primary and Secondary research. This can include market share information from government and industry sources or direct information from local markets
- Benchmarking against comparable programs in other states or regions

The contractor shall, to the maximum extent practicable, leverage previous studies and coordinate with other regional and national initiatives when developing evaluation methodologies. The contractor shall coordinate data collection methods across the evaluation tasks to maximize efficiency and minimize multiple contacts with program participants, businesses and market actors.

Deliverable: The contractor shall submit a draft and final Market Assessment Report that addresses all the items in Section 3.9, 3.10, 3.11, 3.12, and 3.13. The report shall be submitted in draft for review and approval by the BPU Contract Manager. The BPU Contract Manager may return the report to the contractor and request revisions. The contractor shall revise the Market Assessment Report with 10 business days and return it to the BPU Contract Manager for approval.

3.14 MARKET SHARE MONITORING

3.14.1 ASSESS THE MARKET OVERALL

The contractor shall assess the market overall, including, but not limited to:

- 1) The influence of New Jersey's Clean Energy Programs and other forces on the market since the programs were implemented to assess:

- a) Changes in the market for HVAC and lighting equipment and installation practices
 - b) The influence of the RNC program on the transformation of the new construction market since the start of the program
 - c) Changes in the market for ENERGY STAR products
 - d) Changes in the market for equipment and practices promoted by the C&I program
 - e) Provide the market information needed to calculate energy savings from the Energy Star program since its inception in 2001
- 2) Identification of existing barriers and the effectiveness of the programs in overcoming barriers to the use of energy efficient products and services
 - 3) Expected market trends

3.14.2 MARKET SHARE MONITORING

The approach to market share monitoring may vary by program, as described below.

Residential HVAC Program: The contractor shall design and develop methods for compiling or collecting data on market share of high efficiency HVAC equipment.

Residential New Construction (RNC) Program: The contractor shall design, develop, and implement a system for monitoring and reporting the number and market share of energy-efficient new homes. The contractor's system shall rely on housing permit data available from the New Jersey Department of Community Affairs (DCA).

Residential Energy Star Products Program: The contractor shall design and develop methods for collecting and compiling data on the market share of Energy Star products (appliances, lighting, and windows). The methods for collecting data on market share in the overall market shall be coordinated with the efforts of Energy Star Products implementation sub-contractors to collect data on program adoptions from participating market actors (primarily retailers) and other sources, which are expected to represent less than the entire market, especially in the early periods of program implementation. It is anticipated that one system of market share monitoring, coordinated between the contractor and program implementation sub-contractor will be developed. The contractor's market share data collection methods shall be coordinated with Energy Star Products implementation sub-contractors, to collect data on program adoptions from participating market actors (primarily retailers) and other sources and potentially energy efficient product distributors and manufacturers.

C&I Construction Program: The contractor shall develop methods for collecting and compiling data on the market share of high efficiency equipment in the C&I market sector.

Deliverable: The contractor shall deliver a draft and final Market Share Monitoring Report that includes all information specified in Section 3.14, 3.14.1 and 3.14.2 above.

3.15 PERFORM BASELINE STUDIES

The contractor shall perform baseline studies that will be used as a basis to update current performance indicators and/or develop additional performance indicators. The performance indicators to be developed through the baseline studies shall include, but are not limited to, the following:

1. Energy production and savings measures:

- a. Electric energy efficiency - The contractor shall review and assess the electric capacity and annual energy savings from energy efficiency measures installed as reported by the utilities.
- b. Gas energy efficiency - The contractor shall review and assess annual natural gas energy savings from energy efficiency measures installed as reported by the utilities.
- c. The market assessments shall provide information needed to calculate energy savings from market transformation programs such as the Energy Star Products Program. The energy savings from this program have not been calculated since 2001. The contractor shall perform the market assessments necessary to calculate the savings from the market transformation programs since 2001.

2. Market share of deployed technologies:

- a. The contractor shall calculate the Statewide market penetration level of energy efficiency technologies, and calculate or estimate market transformation impacts that are attributable to the programs. This information shall be utilized to develop recommendations regarding market share performance indicators.

3. Costs per technology unit or measure installed:

- a. The contractor shall report on the installed prices and supply prices of energy efficiency measures and compare those prices with the prices of competing conventional energy equipment and measures. The contractor shall analyze and report on how the installed prices of energy efficiency technologies compare with the programs assumptions of those prices. The contractor shall determine if the prices for energy efficient technologies are going up or down over time. The contractor shall determine if the difference between the price of energy efficient technologies and conventional technologies have been going up or down over time. If possible, the contractor shall provide projections of these prices into the future.

4. Business development and support services:

- a. The contractor shall calculate or estimate the number of in-State businesses that can (i) manufacture and assemble, (ii) sell/install, and (iii) service/maintain energy efficient technologies.
- b. The contractor shall develop baseline studies on the awareness and understanding of energy efficiency technologies among users of energy efficient technologies and among potential users of energy efficient technologies.

Deliverable: The contractor shall submit a draft and final Baseline Study Report that includes all the information noted above in Section 3.15.

3.16 REVIEW AND REVISE THE PERFORMANCE INDICATORS

The contractor shall recommend updates to performance indicators and metrics for success. The contractor shall review all existing performance indicators and provide recommendations supported by analysis regarding appropriate changes

The contractor shall review, prioritize and recommend revisions to current performance indicators (see Appendix B). Performance indicators should be: simple and understandable; small in number; and based on data that are reliable and inexpensive to collect. The contractor shall:

1. Provide estimated values for program performance indicators.
2. Recommend, based on market analysis, changes to performance indicators.
3. Recommend, based on market analysis, performance indicators for new programs.
4. Recommend how to track and measure how program managers are doing against performance indicators.

Deliverable: The contractor shall deliver a draft and final Performance Indicator Report that includes all the information specified in Section 3.16.

3.17 DETERMINE CONTRIBUTION OF PROGRAMS TOWARD MEETING OVERALL GOALS

The contractor shall determine the extent to which the programs contribute toward meeting current program goals and shall:

- Recommend, based on an analysis of each program, specific goals for each program (The current program goals are set out in Appendix C)
- Recommend how to track and measure how program managers are doing against goals

Deliverable: The contractor shall submit a Program Goals report that supplies all the information specified in Section 3.17 above

3.18 C&I MARKET BARRIER AND SEGMENTATION REPORT

The contractor shall provide an overall summary of key barriers to the installation of energy efficient C&I technologies. The summary shall be segmented by standard commercial and industrial classes, and types of equipment and services such as, but not limited to retrofit equipment, equipment replacement and new construction. Major variations in the installation or use of energy efficient equipment by customer market or major equipment markets shall also be provided. This summary shall address the effectiveness of OCE programs in supporting the development of competitive markets for energy efficiency, including an assessment of the extent to which trade allies and vendor businesses rely on OCE programs to support their energy efficiency activities.

The contractor shall conduct a market segmentation study of the NJ commercial and industrial sector consisting of the following elements:

- A disaggregation of the commercial and industrial new construction, renovation, remodel and equipment replacement market segments by major commercial and industrial classes including schools (K-12). The ownership and management patterns of building stock shall also be considered in the disaggregation.
- A characterization of the nature and size of the market segmentations noted above. The contractor shall identify major trends with regard to general levels of activity in major classes, design and/or equipment specification patterns by class, geography, customer market and major equipment market..
- A summary of the major market barriers to the specification and purchase of commercial and industrial energy efficiency equipment and energy efficient system designs including building designs, mechanical designs and lighting designs. This summary shall report barriers by market segment, and highlight barriers that are unique to a particular market segment or are more pronounced in the NJ market as compared with other regional markets.
- A report on the effectiveness of the programs as currently designed that shows whether or not the programs are supporting the development of competitive markets for energy efficiency and the extent to which trade allies and vendor businesses rely on these programs to support their energy efficiency activities.

In addressing these issues, the contractor shall provide general observations regarding how programs could be better designed to remove or reduce market barriers identified above. Such contractor observations will help OCE design alternative programs.

Deliverable: The contractor shall submit a C&I Market Barrier and Market Segmentation Report that responds to all the requirements specified in Section 3.18.

3.19 UPGRADE OF ENERGY EFFICIENCY CODES AND STANDARDS

As energy efficiency measures become more commonplace, the OCE looks for opportunities to “lock in” savings through upgrades to energy efficiency codes and standards. The contractor shall review current codes and standards and identify opportunities for potential upgrades to codes and standards either at the State level or through the support of national initiatives.

Deliverable: The contractor shall submit an Upgrade of Energy Efficiency Codes and Standards Report that includes all the information needed to respond to Section 3.19 above.

3.20 RECOMMEND ADJUSTMENTS TO INCENTIVE LEVELS

It is important for the contractor to closely review the program measures and incentives, particularly with regard to energy efficiency and combined heat and power (CHP). With respect to rebates, for example, KEMA, in its Energy Efficiency and Distributed Generation Market Assessment of August 2004, recommended C&I incentives that maximized net adoptions and minimized free riders but did not address how to do this. The contractor shall look closely at this and other related topics and provide recommendations supported by analysis of methods to maximize energy efficiency and CHP.

The contractor shall recommend ways that OCE can upgrade efficiency levels required to participate and modify incentive levels more quickly as products that achieve those higher efficiency standards become available. The American Council for an Energy-Efficient Economy issued a study of *Emerging Energy-Saving*

Technologies and Practices for the Building Sector as of 2004 (Report A042) that discusses how to promote these best practices through NJCEP, and the contractor shall use this document as a resource in researching best practices. As part of this evaluation, the contractor shall review the efficiency levels of equipment that qualify for rebates to ensure that energy efficiency standards are set high enough, in view of changing markets and standards, to be considered a best practice. For example, the efficiency standard for water heaters was upgraded to EF = .57 (minimum for a 50-gallon unit) in January 2004, and the efficiency standard of central air conditioners will increase to SEER = 13 in January 2006. As part of the assessment, the contractor shall determine if it is appropriate to increase the energy efficiency standards for the other products for which OCE issues rebates and incentives.

The contractor shall assess if incentives are set at an appropriate percentage of the incremental cost of the efficiency measure or practice. The contractor shall evaluate and recommend adjustments to rebates and incentives based on analysis as part of the market assessment and other work specified in the contract. Current rebate levels have, for the most part, been in effect since 2001 when the programs were implemented and the contractor shall recommend if those rebates and incentives should change, stay the same, be eliminated or be replaced with other technologies. The contractor shall also recommend how rebates and incentives could be adjusted in a way that will maximize energy savings in the future.

The contractor shall review and report on current OCE incentive levels and make recommendations supported by analysis regarding changes to incentive levels as well as recommendations as to what technologies or practices should be added to or deleted from the list of measures eligible for incentives and whether the existing portfolio of programs should be modified.

Deliverable: The contractor shall submit an Incentive Level Recommendation Report

3.21 MARKET ASSESSMENT SERVICES REPORT

The contractor shall compile all the final reports developed under this contract into one Market Assessment Services Report. In addition, the contractor shall prepare and insert an Executive Summary of the findings & conclusions in the Market Assessment Report. The Market Assessment Services Report shall be professionally printed on heavy stock paper and professionally bound. The contractor shall provide an example of how this report will be prepared and delivered. The delivery of this Market Assessment Services Report shall include at least one appearance and discussion with the OCE Staff and one presentation of the findings to the Clean Energy Council. It may also be the subject of public hearings and meetings so the contractor shall deliver extra copies over the 15 copies, as needed, at the contract price.

Deliverable: The contractor shall deliver 10 drafts and 15 final bound and printed copies of the Market Assessment Services Report to the BPU Contract Manager or the BPU as directed. The report shall also be provided in PDF format for posting on the BPU's web site. Delivery of this report shall include one appearance and discussion with the OCE Staff and one presentation to the Clean Energy Council concerning its contents and ramifications for the operation of the programs. Additional meetings shall be reimbursed as a meeting.

4.0 PROPOSAL PREPARATION AND SUBMISSION

4.1 GENERAL

The bidder must follow instructions contained in this RFP and in the bid cover sheet in preparing and submitting its bid proposal. The bidder is advised to thoroughly read and follow all instructions.

The information required to be submitted in response to this RFP has been determined to be essential in the bid evaluation and contract award process. Any qualifying statements made by the bidder to the RFP's requirements could result in a determination that the bidder's proposal is materially non-responsive. Each bidder is given wide latitude in the degree of detail it elects to offer or the extent to which plans, designs, systems, processes and procedures are revealed. Each bidder is cautioned, however, that insufficient detail may result in a determination that the bid proposal is materially non-responsive or, in the alternative, may result in a low technical score being given to the bid proposal.

The bidder is instructed to clearly identify any requirement of this RFP that the bidder cannot satisfy.

4.2 PROPOSAL DELIVERY AND IDENTIFICATION

In order to be considered, a bid proposal must arrive at the Purchase Bureau in accordance with the instructions on the RFP cover sheet. Bidders submitting proposals are cautioned to allow adequate delivery time to ensure timely delivery of proposals. State regulation mandates that late bid proposals are ineligible for consideration. **THE EXTERIOR OF ALL BID RESPONSE PACKAGES MUST BE LABELED WITH THE BID IDENTIFICATION NUMBER, FINAL BID OPENING DATE AND THE BUYER'S NAME.** All of this information is set forth at the top of the RFP cover sheet ([page 3 of the RFP](#)).

4.3 NUMBER OF BID PROPOSAL COPIES

Each bidder must submit **one (1) complete ORIGINAL bid proposal**, clearly marked as the "ORIGINAL" bid proposal. Each bidder should submit eight (8) **full, complete and exact copies** of the original. The copies requested are necessary in the evaluation of the bid proposal. Bidders failing to provide the requested number of copies will be charged the cost incurred by the State in producing the requested number of copies. It is suggested that the bidder make and retain a copy of its bid proposal.

4.4 PROPOSAL CONTENT

The bid proposal should be submitted in one volume and that volume divided into four (4) sections as follows:

- Section 1 - Forms (Section 4.4.1)
- Section 2 - Technical Proposal (Section 4.4.2)
- Section 3 - Organizational Support and Experience (Section 4.4.3)
- Section 4 - Cost Proposal (Section 4.4.4)

The following Table describes the format of the bid proposal that should be prepared with tabs (separators), and the content of the material located behind each tab.

TAB	CONTENTS	RFP SECTION REFERENCE	COMMENTS
1	Forms	Cover sheet	Completed and signed cover sheet (Page 3 of this RFP)
		4.4.1.2	Ownership Disclosure Form (Attachment 1)
		4.4.3.9	Disclosure of Investigations and Actions Involving Bidder (Attachment 1A)
		4.4.1.3	MacBride Principles Certification (Attachment 2)
		4.4.1.4	Affirmative Action Employee Information Report or New Jersey Affirmative Action Certificate (Attachment 3)
		4.4.1.7	Notice of Intent to Subcontract Form and Subcontractor Utilization Plan (Attachment 4)
		1.1 of the Standard Terms & Conditions	Business Registration from Division of Revenue
		4.4.1.8	Executive Order 129 Certification (Attachment 6)
2	Technical Proposal	4.4.2.1	Management Overview
		4.4.2.2	Contract Management
		4.4.2.3	Contract Schedule
		4.4.2.4	Mobilization and Implementation Plan
		4.4.2.5	Potential Problems
3	Organizational Support and Experience Proposal	4.4.3.1	Location
		4.4.3.2	Organization Chart (Contract Specific)
		4.4.3.3	Resumes
		4.4.3.4	Backup Staff
		4.4.3.5	Organization Chart (Entire Firm)
		4.4.3.6	Experience of Bidder on Contracts of Similar Size and Scope
		4.4.3.7	Financial Capability of the Bidder
		4.4.3.8	Subcontractor(s)
4	Price Proposal	4.4.4	Price Schedules (Attachment 5)

4.4.1 SECTION 1 – FORMS

4.4.1.1 COVER SHEET

The contractor shall complete and submit the cover sheet. The cover sheet is found on page 3 of this RFP.

4.4.1.2 OWNERSHIP DISCLOSURE FORM

In the event the bidder is a corporation or partnership, the bidder must complete the attached Ownership Disclosure Form. A completed Ownership Disclosure Form must be received prior to or accompany the bid proposal. Failure to do so will preclude the award of the contract.

The Ownership Disclosure Form is attached as [Attachment 1](#) to this RFP.

4.4.1.3 MACBRIDE PRINCIPLES CERTIFICATION

The bidder must complete the attached MacBride Principles Certification evidencing compliance with the MacBride Principles. Failure to do so may result in the award of the contract to another vendor.

The MacBride Principles Certification Form is attached as [Attachment 2](#) to this RFP

4.4.1.4 AFFIRMATIVE ACTION

The bidder must complete the attached Affirmative Action Employee Information Report, or, in the alternative, supply either a New Jersey Affirmative Action Certificate or evidence that the bidder is operating under a Federally approved or sanctioned affirmative action program. The requirement is a precondition to entering into a valid and binding contract.

The Affirmative Action Forms are attached as [Attachment 3](#) to this RFP.

4.4.1.5 BUSINESS REGISTRATION CERTIFICATE FROM THE DIVISION OF REVENUE

FAILURE TO SUBMIT A COPY OF THE BIDDER'S BUSINESS REGISTRATION CERTIFICATE (OR INTERIM REGISTRATION) FROM THE DIVISION OF REVENUE WITH THE BID PROPOSAL MAY BE CAUSE FOR REJECTION OF THE BID PROPOSAL.

The bidder may go to www.nj.gov/njbgs to register with the Division of Revenue or to obtain a copy of an existing Business Registration Certificate.

Refer to Appendix 1, Section 1.1. of the Standard Terms and Conditions and Section 5.3 of this RFP for additional information concerning this requirement.

4.4.1.6 EXECUTIVE ORDER 134

Refer to Section 5.27 of this RFP for more details concerning this requirement.

4.4.1.7 SET ASIDE CONTRACTS

This is a contract with set aside subcontracting goals for Small Businesses. **All bidders** must include in their bid proposal a completed and signed **Notice of Intent to Subcontract** form (Attachment 4). Bidders intending to utilize subcontractors **must** also include a completed and signed **Subcontractor Utilization Plan form** (Attachment 4). Failure to submit the required forms shall result in a determination that the bid is materially nonresponsive. Bidders seeking eligible small businesses should contact the New Jersey Commerce and Economic Growth Commission at (609) 292-2146.

4.4.1.8 EXECUTIVE ORDER 129

THE BIDDER SHOULD SUBMIT WITH ITS BID PROPOSAL A COMPLETED SOURCE DISCLOSURE FORM.

Refer to Section 5.28 and Attachment 6 for more information concerning this new requirement.

4.4.1.9 BID BOND

Not applicable

4.4.2 SECTION 2 - TECHNICAL PROPOSAL

In this Section, the bidder shall describe its approach and plans for accomplishing the work outlined in the Scope of Work Section, i.e., Section 3.0 including a description of the techniques and procedures to be utilized to address the questions and issues set out above including the timeframe in which they will deliver products. The bidder must set forth its understanding of the requirements of this RFP and its ability to successfully complete the contract.

This Section of the bid proposal should contain at least the following information:

4.4.2.1 MANAGEMENT OVERVIEW

The bidder shall set forth its overall technical approach and plans to meet the requirements of the RFP in a narrative format. This narrative should convince the State that the bidder understands the objectives that the contract is intended to meet, the nature of the required work and the level of effort necessary to successfully complete the contract. This narrative should convince the State that the bidder's general approach and plans to undertake and complete the contract are appropriate to the tasks and subtasks involved.

The overall technical approach should discuss the larger context of BPU operational objectives and the issues that relate to OCE programs in general and how this relates to the issues, how the bidder will perform this contract overall and how the skills and talents of the bidder will satisfy the overall requirements of this contract as well as the larger issues of which this contract is a part. In this section, the bidder should demonstrate its grasp of the overall work, the appropriateness of its overall technical approach and its understanding of what this contract is designed to accomplish.

4.4.2.2 CONTRACT MANAGEMENT

The bidder should describe its specific plans to manage, control and supervise the contract to ensure satisfactory contract completion according to the required schedule. The plan should include the bidder's approach to communicate with the BPU Contract Manager including, but not limited to, status meetings, status reports, etc.

Specifically the bidder should address its detailed plans to perform: including a description of the techniques and procedures to be utilized to address the questions and issues set out above including the timeframe in it will deliver work.

Bidders are encouraged to propose a scope of services that includes creative research strategies that rely heavily upon existing data. The scope of services should also include a detailed description of the proposed methodology to conduct the analysis and the results that will be delivered including, but not limited to:

- Information and type of data to be collected
- Resources to be used in this process
- The types of results to be produced
- Use of that information to produce the results
- The extent to which the results be quantitative versus qualitative in form
- Methodology of the quantitative estimates to be made
- Bidder familiarity with existing/secondary data sources and the bidder's plan to use this data

The bidder should organize its Technical Proposal as organized in the Scope of Work [Section 3.0](#). Therefore the bidder's proposal should include discussions in the same manner as the work and deliverables associated with:

- Kickoff meeting
- Weekly teleconferences
- Monthly progress reports
- Meetings
- Relationship with the BPU Contract Manager and CEEEP
- Approach to evaluation report (work plan)
- Coordination with other national/regional evaluation activities
- Review of previous market assessments, evaluations and studies
- Market assessments
- Issues to be addressed through the market assessments
- Market indicators
- Questions to be answered through the market assessments
- Evaluation methodologies
- Market share assessment and monitoring
- Performing baseline studies
- Review and revise the performance indicators
- Determine contribution of programs toward meeting overall goals

C&I market barrier and segmentation report
Upgrade of energy efficiency codes and standards
Recommend adjustments to incentive levels
Market assessment services report

Mere reiterations of RFP tasks and subtasks are strongly discouraged, as they do not provide insight into the bidder's ability to complete the contract. The bidder's response to this section should be designed to convince the State that the bidder's detailed plans and approach proposed to complete the Scope of Work are realistic, attainable and appropriate and that the bidder's bid proposal.

4.4.2.3 CONTRACT SCHEDULE

The bidder should include a contract schedule. If key dates are a part of this RFP, the bidder's schedule should incorporate such key dates and should identify the completion date for each task and sub-task required by the Scope of Work. Such schedule should also identify the associated deliverable item(s) to be submitted as evidence of completion of each task and/or subtask.

The bidder should identify the contract scheduling and control methodology to be used and should provide the rationale for choosing such methodology. The use of Gantt, Pert or other charts is at the option of the bidder.

4.4.2.4 MOBILIZATION AND IMPLEMENTATION PLAN

It is essential that the State move forward quickly to have the contract in place. Therefore, the bidder should include as part of its proposal a mobilization and implementation plan, beginning with the date of notification of contract award.

Such mobilization and implementation plan should include the following elements:

- (a) A detailed timetable for the mobilization and implementation period.
- (b) The bidder's plan for the deployment and use of management, supervisory or other key personnel during the mobilization and implementation period.

The bidder should submit a plan for the use of subcontractor(s), if any, on this contract.

4.4.2.5 POTENTIAL PROBLEMS

The bidder should set forth a summary of any and all problems that the bidder anticipates during the term of the contract. For each problem identified, the bidder should provide its proposed solution.

4.4.3 SECTION 3 - ORGANIZATIONAL SUPPORT AND EXPERIENCE

The bidder shall include information relating to its organization, personnel, and experience, including, but not limited to, references, together with contact names and telephone numbers, evidencing the bidder's qualifications, and capabilities to perform the services required by this RFP.

4.4.3.1 LOCATION

The bidder should include the location of the bidder's office that will be responsible for managing the contract. The bidder should include the telephone number and name of the individual to contact.

4.4.3.2 ORGANIZATION CHART (CONTRACT SPECIFIC)

The bidder shall include a contract organization chart, with names showing management, supervisory and other key personnel identified on the price schedule. The chart should include the labor category and title of each such individual.

4.4.3.3 RESUMES

Detailed resumes shall be submitted for all management, supervisory and key personnel identified on the price schedules. Resumes should be structured to emphasize relevant qualifications and experience of these individuals in successfully completing contracts of a similar size and scope to those required by this RFP. Resumes should include the following:

- Clearly identify the individual's previous experience in completing similar contracts.
- Beginning and ending dates should be given for each similar contract.
- A description of the contract should be given and should demonstrate how the individual's work on the completed contract relates to the individual's ability to contribute to successfully providing the services required by this RFP.
- With respect to each similar contract, the bidder should include the name and address of each reference together with a person to contact for a reference check and a telephone number.

4.4.3.4 BACKUP STAFF

The bidder should include a list of backup staff that may be called upon to assist or replace primary individuals assigned. Backup staff must be clearly identified as backup staff.

In the event the bidder must hire management, supervisory and/or key personnel if awarded the contract, the bidder should include, as part of its recruitment plan, a plan to secure backup staff in the event personnel initially recruited need assistance or need to be replaced during the contract term.

4.4.3.5 ORGANIZATION CHART (ENTIRE FIRM)

The bidder should include an organization chart showing the bidder's entire organizational structure. This chart should show the relationship of the individuals assigned to the contract to the bidder's overall organizational structure.

4.4.3.6 EXPERIENCE OF BIDDER ON CONTRACTS OF SIMILAR SIZE AND SCOPE

The bidder should provide a comprehensive listing of contracts of similar size and scope that it has successfully completed, as evidence of the bidder's ability to successfully complete the services required by this RFP. Emphasis should be placed on contracts that are similar in size and scope to the work required by this RFP. A description of all such contracts should be included and should show how such contracts relate to the ability of the firm to complete the services required by this RFP. For each such contract, the bidder should provide two names and telephone numbers of individuals for the other contract party. Beginning and ending dates should also be given for each contract.

4.4.3.7 FINANCIAL CAPABILITY OF THE BIDDER

The bidder shall provide proof of its financial capacity and capabilities to undertake and successfully complete the contract. To satisfy this requirement, the bidder shall submit a certified financial statement, including applicable notes, reflecting the bidder's assets, liabilities, net worth, revenues, expenses, profit or loss, and cash flow for the most recent calendar year or the bidder's most recent fiscal year; or, if a certified financial statement is not available, then either a reviewed or compiled statement from an independent accountant setting forth the same information required for the certified financial statement. In addition, the bidder must submit a bank reference.

4.4.3.8 SUBCONTRACTOR(S)

- A. **All bidders** must complete the **Notice of Intent to Subcontract Form** whether or not they intend to utilize subcontractors in connection with the work set forth in this RFP. If the bidder intends to utilize subcontractor(s), then the **Subcontractor Utilization Plan** must also be submitted with the bid.

N.J.A.C. 17:13-4 and Executive Order 71 mandate that if the bidder proposes to utilize a subcontractor, the bidder must make a good faith effort to meet the set-aside subcontracting targets of awarding a total of twenty-five percent (25%) of the value of the contract to New Jersey-based, New Jersey Commerce and Economic Growth Commission registered small businesses, with a minimum of five (5) percent awarded to each of the three categories set forth below, and the balance of ten (10) percent spread across the three annual gross revenue categories: Category I – \$1 to \$500,000; Category II - \$500,001 to \$5,000,000; Category III - \$5,000,001 to \$12,000,000.

- B. Should the bidder choose to use subcontractors and fail to meet the Small Business Subcontracting targets set forth above, the bidder must submit documentation demonstrating its good faith effort to meet the targets with its bid proposal or within seven (7) business days upon request.**
- C. Should the bidder propose to utilize a subcontractor(s) to fulfill any of its obligations, the bidder shall be responsible for the subcontractor's(s): (a) performance; (b) compliance with all of the terms and conditions of the contract; and (c) compliance with the requirements of all applicable laws.
- D. The bidder must provide a detailed description of services to be provided by each subcontractor, referencing the applicable Section or Subsection of this RFP.
- E. The bidder should provide detailed resumes for each subcontractor's management, supervisory and other key personnel that demonstrate knowledge, ability and experience relevant to that part of the work which the subcontractor is designated to perform.
- F. The bidder should provide documented experience to demonstrate that each subcontractor has successfully performed work on contracts of a similar size and scope to the work that the subcontractor is designated to perform in the bidder's proposal.

4.4.3.9 DISCLOSURE OF INVESTIGATIONS/ACTIONS INVOLVING BIDDER

The bidder shall provide a detailed description of any investigation, litigation, including administrative complaints or other administrative proceedings, involving any public sector clients during the past five years including the nature and status of the investigation, and, for any litigation, the caption of the action, a brief description of the action, the date of inception, current status, and, if applicable, disposition. The bidder shall use the chart in [Attachment 1A](#), Disclosure of Investigations and Actions Involving Bidder, located after the [Attachment 1](#), Ownership Disclosure Form.

4.4.4 SECTION 4 - PRICE PROPOSAL

The price schedule is attached to this RFP as [Attachment 5](#).

Failure to submit all requested pricing information may result in the bidder's proposal being considered materially non-responsive. Each bidder must hold its price(s) firm through issuance of contract to permit the completion of the evaluation of bid proposals received and the contract award process.

5.0 SPECIAL TERMS AND CONDITIONS

5.1 PRECEDENCE OF CONTRACTUAL TERMS AND CONDITIONS

The contract shall consist of this RFP, addenda to this RFP, the vendor's bid proposal, and the Division's Notice of Acceptance.

Unless specifically noted within this RFP, the Special Terms and Conditions, take precedence over the Standard Terms and Conditions, attached as [Appendix 1](#)

In the event of a conflict between the provisions of this RFP, including the Standard Terms and Conditions and the Special Terms and Conditions, and any addendum to the RFP, the addendum shall govern.

In the event of a conflict between the provisions of this RFP, including any addendum to this RFP, and the bidder's proposal, the RFP and/or the addendum shall govern.

5.2 BPU CONTRACT MANAGER

The BPU Contract Manager is the State employee responsible for the overall management and administration of the contract.

The BPU Contract Manager for this project will be identified at the time of execution of contract. At that time, the contractor will be provided with the BPU Contract Manager name, department, division, agency, address, telephone number, fax phone number, and email address.

5.2.1 BPU CONTRACT MANAGER RESPONSIBILITIES

For an agency contract where only one State office uses the contract, the BPU Contract Manager will be responsible for engaging the contractor, assuring that Purchase Orders are issued to the contractor, directing the contractor to perform the work of the contract, approving the deliverables and approving payment vouchers. The BPU Contract Manager is the person that the contractor will contact **after the contract is executed** for answers to any questions and concerns about any aspect of the contract. The BPU Contract Manager is responsible for coordinating the use and resolving minor disputes between the contractor and any component part of the BPU Contract Manager's Department.

5.2.2 OTHER DUTIES OF THE BPU CONTRACT MANAGER

The BPU Contract Manager shall have the following additional duties:

- a) If the BPU Contract Manager determines that the Contractor has failed to perform the work of the contract and is unable to resolve that failure to perform directly with the contractor, the BPU Contract Manager shall file a formal complaint with the Contract Compliance Unit in the Division of Purchase and Property and request that office to assist in the resolution the contract performance problem with the contractor.
- b) The BPU Contract Manager is responsible for arranging for contract extensions and preparing any re-procurement of the contract with the Purchase Bureau.
- c) The BPU Contract Manager is responsible for obtaining permission from the Director to reduce the scope of work, amend the contract or add work or special projects to the contract after contract award.
- d) The BPU Contract Manager is responsible for completion of the Project Performance Assessment Form for submission to the CCAU Unit of the Division, with a copy to the Associate Director of OMB; the Project Performance Assessment Form shall be submitted annually for multi-year contracts and at their completion. For contracts of one (1) year or less, the Project Performance Assessment Form shall be submitted within six (6) months of signing and at project completion.
- e) The BPU Contract Manager is responsible for submitting the Contractor final deliverables to the Associate Director of OMB.

- f) The BPU Contract Manager is also responsible to formally report, to the Division of Purchase and Property's Assistant Director, CCAU, using the PB-36 Formal Complaint form, all instances when deliverables, i.e. commodities and/or services, are not in accordance with the contract specifications or scope of work. Variances from contract pricing shall be reported in this same manner to ensure that State and other using agencies receive the goods and/or services at the pricing established at the time of contract award or amendment(s) to the contract.

5.2.3 COORDINATION WITH THE BPU CONTRACT MANAGER

Any contract user that is unable to resolve disputes with a contractor shall refer those disputes to the BPU Contract Manager for resolution. Any questions related to performance of the work of the contract by contract users shall be directed to the BPU Contract Manager. The contractor may contact the BPU Contract Manager if the contractor can not resolve a dispute with contract users.

5.3 PERFORMANCE BOND

Not applicable.

5.4 BUSINESS REGISTRATION

The following shall supplement the Standard Terms and Conditions pertaining to Business Registration set forth in, [Appendix 1, Section 1.1](#).

"Affiliate" means any entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or constructively controlled by another entity, or (3) is subject to the control of a common entity. An entity controls another entity if it owns, directly or individually, more than 50% of the ownership in that entity.

"Business organization" means an individual, partnership, association, joint stock company, trust, corporation, or other legal business entity or successor thereof;

"Business registration" means a business registration certificate issued by the Department of the Treasury or such other form or verification that a contractor or subcontractor is registered with the Department of Treasury;

"Contractor" means a business organization that seeks to enter, or has entered into, a contract to provide goods or services with a contracting agency;

"Contracting agency" means the principal departments in the Executive Branch of the State Government, and any division, board, bureau, office, commission or other instrumentality within or created by such department, or any independent State authority, commission, instrumentality or agency, or any State college or university, any county college, or any local unit; with respect to this Contract, the contracting agency shall mean the Division;

"Subcontractor" means any business organization that is not a contractor that knowingly provides goods or performs services for a contractor or another subcontractor in the fulfillment of a contract.

A bidder shall submit a copy of its business registration at the time of submission of its bid proposal in response to this RFP.

A subcontractor shall provide a copy of its business registration to any contractor who shall forward it to the contracting agency. No contract with a subcontractor shall be entered into by any contractor unless the subcontractor first provides proof of valid business registrations.

The contractor shall provide written notice to all subcontractors that they are required to submit a copy of their business registration to the contractor. The contractor shall maintain a list of the names of any subcontractors and their current addresses, updated as necessary during the course of the contract performance. The contractor shall submit to the contracting agency a copy of the list of subcontractors, updated as necessary during the course of performance of the contract. The contractor shall submit a

complete and accurate list of the subcontractors to the contracting agency before a request for final payment is made to the using agency.

The contractor and any subcontractor providing goods or performing services under the contract, and each of their affiliates, shall, during the term of the contract, collect and remit to the Director of the Division of Taxation in the Department of the Treasury the use tax due pursuant to the "Sales and Use Tax Act, P.L. 1966, c. 30 (N.J.S.A. 54:32B-1 et seq.) on all their sales of tangible personal property delivered into the State.

This paragraph shall apply to all contracts awarded on and after September 1, 2004

5.5 CONTRACT TERM AND EXTENSION OPTION

The term of the contract shall be for a period of one (1) year. The anticipated "Contract Effective Date" is provided on the cover sheet of this RFP ([page 3 of this RFP](#)). If delays in the bid process result in an adjustment of the anticipated Contract Effective Date, the bidder agrees to accept a contract for the full term of the contract.

The contract may be extended for additional periods of up to one (1) year, by mutual written consent of the contractor and the Director at the same terms, conditions and pricing. The length of each extension shall be determined when the extension request is processed.

Should the contract be extended, the contractor shall be paid at the rates in effect in the last year of the contract.

5.6 CONTRACT TRANSITION

In the event services end by either contract expiration or termination, it shall be incumbent upon the contractor to continue services, if requested by the Director, until new services can be completely operational. The contractor acknowledges its responsibility to cooperate fully with the replacement contractor and the State to ensure a smooth and timely transition to the replacement contractor. Such transitional period shall not extend more than ninety (90) days beyond the expiration date of the contract, or any extension thereof. The contractor will be reimbursed for services during the transitional period at the rate in effect when the transitional period clause is invoked by the State.

5.7 AVAILABILITY OF FUNDS

Not applicable

5.8 CONTRACT AMENDMENT

Any changes or modifications to the terms of the contract shall only be valid when they have been reduced to writing and executed by the contractor and the Director.

5.9 CONTRACTOR RESPONSIBILITIES

The contractor shall have sole responsibility for the complete effort specified in the contract. Payment will be made only to the contractor. The contractor shall have sole responsibility for all payments due any subcontractor.

The contractor is responsible for the professional quality, technical accuracy and timely completion and submission of all deliverables, services or commodities required to be provided under the contract. The contractor shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in its deliverables and other services. The approval of deliverables furnished under this contract shall not in any way relieve the contractor of responsibility for the technical adequacy of its work. The review, approval, acceptance or payment for any of the services shall not be construed as a waiver of any rights that the State may have arising out of the contractor's performance of this contract.

5.10 SUBSTITUTION OF STAFF

If it becomes necessary for the contractor to substitute any management, supervisory or key personnel, the contractor will identify the substitute personnel and the work to be performed.

The contractor must provide detailed justification documenting the necessity for the substitution. Resumes must be submitted evidencing that the individual(s) proposed as substitution(s) have qualifications and experience equal to or better than the individual(s) originally proposed or currently assigned.

The contractor shall forward a request to substitute staff to the BPU Contract Manager for consideration and approval. No substitute personnel are authorized to begin work until the contractor has received written approval to proceed from the BPU Contract Manager.

5.11 SUBSTITUTION OR ADDITION OF SUBCONTRACTOR(S)

This Subsection serves to supplement but not to supersede [Section 3.11](#) of the Standard Terms and Conditions of this RFP.

If it becomes necessary for the contractor to substitute a subcontractor, add a subcontractor or substitute its own staff for a subcontractor, the contractor will identify the proposed new subcontractor or staff member(s) and the work to be performed. The contractor must provide detailed justification documenting the necessity for the substitution or addition.

The contractor must provide detailed resumes of its proposed replacement staff or of the proposed subcontractor's management, supervisory and other key personnel that demonstrate knowledge, ability and experience relevant to that part of the work which the subcontractor is to undertake.

The qualifications and experience of the replacement(s) must equal or exceed those of similar personnel proposed by the contractor in its bid proposal.

The contractor shall forward a written request to substitute or add a subcontractor or to substitute its own staff for a subcontractor to the BPU Contract Manager for consideration. If the BPU Contract Manager approves the request, the BPU Contract Manager will forward the request to the Director for final approval.

No substituted or additional subcontractors are authorized to begin work until the contractor has received written approval from the Director.

5.12 OWNERSHIP OF MATERIAL

All data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the contract, including, but not limited to, all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video and/or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and print-outs, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the services required under this contract shall be and remain the property of the State of New Jersey and shall be delivered to the State of New Jersey upon 30 days notice by the State. With respect to software computer programs and/or source codes developed for the State, the work shall be considered "work for hire", i.e., the State, not the contractor or subcontractor, shall have full and complete ownership of all software computer programs and/or source codes developed. To the extent that any of such materials may not, by operation of the law, be a work made for hire in accordance with the terms of this Agreement, contractor or subcontractor hereby assigns to the State all right, title and interest in and to any such material, and the State shall have the right to obtain and hold in its own name and copyrights, registrations and any other proprietary rights that may be available.

Should the bidder anticipate bringing pre-existing intellectual property into the project, the intellectual property must be identified in the bid proposal. Otherwise, the language in the first paragraph of this section prevails. If the bidder identifies such intellectual property ("Background IP") in its bid proposal, then the Background IP owned by the bidder on the date of the contract, as well as any modifications or adaptations thereto, remain the property of the bidder. Upon contract award, the bidder or contractor shall grant the State a non-exclusive,

perpetual royalty free license to use any of the bidder/contractor's Background IP delivered to the State for the purposes contemplated by the Contract.

5.13 DATA CONFIDENTIALITY

All financial, statistical, personnel and/or technical data supplied by the State to the contractor are confidential. The contractor is required to use reasonable care to protect the confidentiality of such data. Any use, sale or offering of this data in any form by the contractor, or any individual or entity in the contractor's charge or employ, will be considered a violation of this contract and may result in contract termination and the contractor's suspension or debarment from State contracting. In addition, such conduct may be reported to the State Attorney General for possible criminal prosecution.

5.14 NEWS RELEASES

The contractor is not permitted to issue news releases pertaining to any aspect of the services being provided under this contract without the prior written consent of the Director.

5.15 ADVERTISING

The contractor shall not use the State's name, logos, images, or any data or results arising from this contract as a part of any commercial advertising without first obtaining the prior written consent of the Director.

5.16 LICENSES AND PERMITS

The contractor shall obtain and maintain in full force and effect all required licenses, permits, and authorizations necessary to perform this contract. The contractor shall supply the BPU Contract Manager with evidence of all such licenses, permits and authorizations. This evidence shall be submitted subsequent to the contract award. All costs associated with any such licenses, permits and authorizations must be considered by the bidder in its bid proposal.

5.17 CLAIMS AND REMEDIES

5.17.1 CLAIMS

All claims asserted against the State by the contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq., and/or the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq.

5.17.2 REMEDIES

Nothing in the contract shall be construed to be a waiver by the State of any warranty, expressed or implied, of any remedy at law or equity, except as specifically and expressly stated in a writing executed by the Director.

5.17.3 REMEDIES FOR NON-PERFORMANCE

In the event the contractor fails to comply with any material contract requirement, the Director may take steps to terminate the contract in accordance with the State Administrative Code. In this event, the Director may authorize the delivery of contract items by any available means, with the difference between the price paid and the defaulting contractor's price either being deducted from any monies due the defaulting contractor or being an obligation owed the State by the defaulting contractor.

5.18 LATE DELIVERY

The contractor must immediately advise the BPU Contract Manager of any circumstance or event that could result in late completion of any task or subtask called for to be completed on a date certain.

5.19 RETAINAGE

Not applicable.

5.20 STATE'S OPTION TO REDUCE SCOPE OF WORK

The State has the option, in its sole discretion, to reduce the scope of work for any task or subtask called for under this contract. In such an event, the Director shall provide advance written notice to the contractor.

Upon receipt of such written notice, the contractor will submit, within five (5) working days to the Director and the BPU Contract Manager, an itemization of the work effort already completed by task or subtask. The contractor shall be compensated for such work effort according to the applicable portions of its cost proposal.

5.21 SUSPENSION OF WORK

The BPU Contract Manager may, for valid reason, issue a stop order directing the contractor to suspend work under the contract for a specific time. The contractor shall be paid until the effective date of the stop order. The contractor shall resume work upon the date specified in the stop order, or upon such other date as the BPU Contract Manager may thereafter direct in writing. The period of suspension shall be deemed added to the contractor's approved schedule of performance. The Director and the contractor shall negotiate an equitable adjustment, if any, to the contract price.

5.22 CHANGE IN LAW

Whenever an unforeseen change in applicable law or regulation affects the services that are the subject of this contract, the contractor shall advise the BPU Contract Manager and the Director in writing and include in such written transmittal any estimated increase or decrease in the cost of its performance of the services as a result of such change in law or regulation. The Director and the contractor shall negotiate an equitable adjustment, if any, to the contract price.

5.23 CONTRACT PRICE INCREASE (PREVAILING WAGE)

If the Prevailing Wage Act (N.J.S.A. 34:11-56 et seq.) is applicable to the contract, the contractor may apply to the Director, on the anniversary of the effective date of the contract, for a contract price increase. The contract price increase will be available only for an increase in the prevailing wages of trades and occupations covered under this contract during the prior year. The contractor must substantiate with documentation the need for the increase and submit it to the Director for review and determination of the amount, if any, of the requested increase, which shall be available for the upcoming contract year. No retroactive increases will be approved by the Director.

5.24 ADDITIONAL WORK AND/OR SPECIAL PROJECTS

The contractor shall not begin performing any additional work or special projects without first obtaining written approval from both the BPU Contract Manager and the Director.

In the event of additional work and/or special projects, the contractor must present a written proposal to perform the additional work to the BPU Contract Manager. The proposal should provide justification for the necessity of the additional work. The relationship between the additional work and the base contract work must be clearly established by the contractor in its proposal.

The contractor's written proposal must provide a detailed description of the work to be performed broken down by task and subtask. The proposal should also contain details on the level of effort, including hours, labor categories, etc., necessary to complete the additional work.

The written proposal must detail the cost necessary to complete the additional work in a manner consistent with the contract. The written cost proposal must be based upon the hourly rates, unit costs or other cost elements submitted by the contractor in the contractor's original bid proposal submitted in response to this RFP. Whenever possible, the cost proposal should be a firm, fixed cost to perform the required work. The

firm fixed price should specifically reference and be tied directly to costs submitted by the contractor in its original bid proposal. A payment schedule, tied to successful completion of tasks and subtasks, must be included.

Upon receipt and approval of the contractor's written proposal, the BPU Contract Manager shall forward same to the Director for the Director's written approval. Complete documentation from the Using Agency, confirming the need for the additional work, must be submitted. Documentation forwarded by the BPU Contract Manager to the Director must all include all other required State approvals, such as those that may be required from the State of New Jersey's Office of Management and Budget (OMB) and Office of Information and Technology (OIT).

No additional work and/or special project may commence without the Director's written approval. In the event the contractor proceeds with additional work and/or special projects without the Director's written approval, it shall be at the contractor's sole risk. The State shall be under no obligation to pay for work performed without the Director's written approval.

5.25 FORM OF COMPENSATION AND PAYMENT

This Section supplements [Section 4.5 of the RFP'S Standard Terms and Conditions](#). The contractor must submit official State invoice forms to the Using Agency with supporting documentation evidencing that work for which payment is sought has been satisfactorily completed. Invoices must reference the tasks or subtasks detailed in the Scope of Work section of the RFP and must be in strict accordance with the firm, fixed prices submitted for each task or subtask on the RFP pricing sheets. When applicable, invoices should reference the appropriate RFP price sheet line number from the contractor's bid proposal. All invoices must be approved by the BPU Contract Manager before payment will be authorized.

Invoices must also be submitted for any special projects, additional work or other items properly authorized and satisfactorily completed under the contract. Invoices shall be submitted according to the payment schedule agreed upon when the work was authorized and approved. Payment can only be made for work when it has received all required written approvals and has been satisfactorily completed.

5.25.1 PAYMENT TO CONTRACTOR

Lump Sum Payment – On Attachment 5, Price Schedule 1, for price lines 1, 5 & 15, the contractor shall be paid the total line price upon delivery and approval of associated work.

Unit Price Payment – On Attachment 5, Price Schedule 1 for price lines 2, 3, 4 and 16 the contractor shall be paid the unit price multiplied by the actual quantities delivered and approved.

Fixed Price Payment – On Attachment 5, Price Schedule 1 the prices provided on price lines 6, 7, 8, 9, 10, 11, 12, and 14 are total fixed priced bids that will be paid to the contractor. However, this RFP requires bidder's to provide a budget to support the prices bid. This budget shall be provided to show how the fixed prices were derived. This supporting information shall be provided in Price Schedules 2 -10. The contractor shall not be paid on an hourly rate basis.

5.26 CONTRACT ACTIVITY REPORT

Not applicable.

5.27 REQUIREMENTS OF EXECUTIVE ORDER 134

In order to safeguard the integrity of State government procurement by imposing restrictions to insulate the award of State contracts from political contributions that pose the risk of improper influence, purchase of access, or the appearance thereof, Executive Order 134 was signed on September 22, 2004 ("EO 134"). Pursuant to the requirements of EO 134, the terms and conditions set forth in this section are material terms of any contract resulting from this RFP:

5.27.1 DEFINITIONS

For the purpose of this section, the following shall be defined as follows:

a) Contribution – means a contribution reportable as a recipient under “The New Jersey Campaign Contributions and Expenditures Reporting Act.” P.L. 1973, c. 83 (C.19:44A-1 et seq.), and implementing regulations set forth at N.J.A.C. 19:25-7 and N.J.A.C. 19:25-10.1 et seq. Through December 31, 2004, contributions in excess of \$400 during a reporting period were deemed "reportable" under these laws. As of January 1, 2005, that threshold was reduced to contributions in excess of \$300.

b) Business Entity – means any natural or legal person, business corporation, professional services corporation, limited liability company, partnership, limited partnership, business trust, association or any other legal commercial entity organized under the laws of New Jersey or any other state or foreign jurisdiction. It also includes (i) all principals who own or control more than 10 percent of the profits or assets of a business entity or 10 percent of the stock in the case of a business entity that is a corporation for profit, as appropriate; (ii) any subsidiaries directly or indirectly controlled by the business entity; (iii) any political organization organized under 26 U.S.C.A. 527 that is directly or indirectly controlled by the business entity, other than a candidate committee, election fund, or political party committee; and (iv) if a business entity is a natural person, that person's spouse or child, residing in the same household.

5.27.2 BREACH OF TERMS OF EXECUTIVE ORDER 134

It shall be a breach of the terms of the contract for the Business Entity to (i) make or solicit a contribution in violation of this Order, (ii) knowingly conceal or misrepresent a contribution given or received; (iii) make or solicit contributions through intermediaries for the purpose of concealing or misrepresenting the source of the contribution; (iv) make or solicit any contribution on the condition or with the agreement that it will be contributed to a campaign committee or any candidate or holder of the public office of Governor, or to any State or county party committee; (v) engage or employ a lobbyist or consultant with the intent or understanding that such lobbyist or consultant would make or solicit any contribution, which if made or solicited by the business entity itself, would subject that entity to the restrictions of EO 134; (vi) fund contributions made by third parties, including consultants, attorneys, family members, and employees; (vii) engage in any exchange of contributions to circumvent the intent of EO 134; or (viii) directly or indirectly through or by any other person or means, do any act which would subject that entity to the restrictions of EO 134.

5.27.3 CERTIFICATION AND DISCLOSURE REQUIREMENTS

a) The State shall not enter into a contract to procure from any Business Entity services or any material, supplies or equipment, or to acquire, sell or lease any land or building, where the value of the transaction exceeds \$17,500, if that Business Entity has solicited or made any contribution of money, or pledge of contribution, including in-kind contributions to a candidate committee and/or election fund of any candidate for or holder of the public office of Governor, or to any State or county political party committee during certain specified time periods

b) Prior to awarding any contract or agreement to any Business Entity, the Business Entity proposed as the intended awardee of the contract shall submit the Certification and Disclosure form, certifying that no contributions prohibited by Executive Order 134 have been made by the Business Entity and reporting all contributions the Business Entity made during the preceding four years to any political organization organized under 26 U.S.C. 527 of the Internal Revenue Code that also meets the definition of a "continuing political committee" within the mean of N.J.S.A. 19:44A-3(n) and N.J.A.C. 19:25-1.7. The required form and instructions, available for review on the Purchase Bureau website at <http://www.state.nj.us/treasury/purchase/forms.htm#eo134>, shall be provided to the intended awardee for completion and submission to the Purchase Bureau with the Notice of Intent to Award. Upon receipt of a Notice of Intent to Award a Contract, the intended awardee shall submit to the Division, in care of the Purchase Bureau Buyer, the Certification and Disclosure(s) within five (5) business days of the State's request. Failure to submit the required forms will preclude award of a contract under this RFP, as well as future contract opportunities.

c) Further, the Contractor is required, on a continuing basis, to report any contributions it makes during the term of the contract, and any extension(s) thereof, at the time any such contribution is made. The required form and instructions, available for review on the Purchase Bureau website at

<http://www.state.nj.us/treasury/purchase/forms.htm#eo134> , shall be provided to the intended awardee with the Notice of Intent to Award.

5.27.4 STATE TREASURER REVIEW

The State Treasurer or his designee shall review the Disclosures submitted pursuant to this section, as well as any other pertinent information concerning the contributions or reports thereof by the intended awardee, prior to award, or during the term of the contract, by the contractor. If the State Treasurer determines that any contribution or action by the contractor constitutes a breach of contract that poses a conflict of interest in the awarding of the contract under this solicitation, the State Treasurer shall disqualify the Business Entity from award of such contract.

5.28 REQUIREMENTS OF EXECUTIVE ORDER 129

Under the Executive Order 129 issued on September 9, 2004 ("E.O. 129"), the State shall not award a contract to a bidder that submits a bid proposal to perform services, or have its subcontractor[s] perform services, outside the United States, unless one of the following conditions is met:

- a) The bidder or its subcontractor provide a unique service, and no comparable, domestically-provided service can adequately duplicate the unique features of the service provided by the bidder or and/or its subcontractor; or
- b) A significant and substantial economic cost factor exists such that a failure to use the bidder's and/or the subcontractor'[s] services would result in economic hardship to the State; or
- c) The Treasurer determines that a failure to use the bidder's and/or its subcontractor's services would be inconsistent with the public interest.

5.28.1 SOURCE DISCLOSURE REQUIREMENTS

Pursuant to E.O. 129, all bidders seeking a contract with the State of New Jersey must disclose:

- a) The location by country where services under the contract will be performed; and
- b) The location by country where any subcontracted services will be performed.

Accordingly, the bidder should submit with its bid proposal the Source Disclosure Certification form ([Attachment 6](#)), filled out with the sourcing information required for itself and any proposed subcontractor, identified in the Intent to Subcontract Form. If the information is not submitted with the bid proposal, it shall be submitted within five (5) business days of the State's request for the information.

FAILURE TO SUBMIT SOURCING INFORMATION WHEN REQUESTED BY THE STATE SHALL PRECLUDE AWARD OF A CONTRACT TO THE BIDDER.

5.28.2 BREACH OF CONTRACT OF EXECUTIVE ORDER 129

A SHIFT TO OUTSOURCED SERVICES DURING THE TERM OF THE CONTRACT SHALL BE DEEMED A BREACH OF THE CONTRACT.

If, during the term of the contract, the contractor or subcontractor, who had on contract award declared that services would be performed in the United States, proceeds to shift the performance of the services outside of the United States, the contractor shall be deemed in breach of the contract, which contract shall be subject to termination for cause pursuant to Section 3.5b.1 of the Standard Terms and conditions, unless the Director shall have first determined in writing that extraordinary circumstances require a shift of services or that a failure to shift the services would result in economic hardship to the State.

6.0 PROPOSAL EVALUATION/CONTRACT AWARD

6.1 PROPOSAL EVALUATION COMMITTEE

Bid proposals may be evaluated by an Evaluation Committee composed of members of affected departments and agencies together with representative(s) from the Purchase Bureau. Representatives from other governmental agencies may also serve on the Evaluation Committee. On occasion, the Evaluation Committee may choose to make use of the expertise of outside consultant in an advisory role.

6.2 ORAL PRESENTATION AND/OR CLARIFICATION OF BID PROPOSAL

After the submission of bid proposals, unless requested by the State, contact with the State is limited to status inquiries only and such inquiries are only to be directed to the buyer. Any further contact or information about the proposal to the buyer or any other State official connected with the solicitation will be considered an impermissible supplementation of the bidder's bid proposal.

A bidder may be required to give an oral presentation to the Evaluation Committee concerning its bid proposal. The Evaluation Committee may also require a bidder to submit written responses to questions regarding its bid proposal.

The purpose of such communication with a bidder, either through an oral presentation or a letter of clarification, is to provide an opportunity for the bidder to clarify or elaborate on its bid proposal. Original bid proposals submitted, however, cannot be supplemented, changed, or corrected in any way. No comments regarding other bid proposals are permitted. Bidders may not attend presentations made by their competitors.

It is within the Evaluation Committee's discretion whether to require a bidder to give an oral presentation or require a bidder to submit written responses to questions regarding its bid proposal. Action by the Evaluation Committee in this regard should not be construed to imply acceptance or rejection of a bid proposal. The Purchase Bureau buyer will be the sole point of contact regarding any request for an oral presentation or clarification.

6.3 EVALUATION CRITERIA

The following evaluation criteria categories, not necessarily listed in order of significance, will be used to evaluate bid proposals received in response to this RFP. The evaluation criteria categories may be used to develop more detailed evaluation criteria to be used in the evaluation process:

6.3.1 THE BIDDER'S GENERAL APPROACH AND PLANS IN MEETING THE REQUIREMENTS OF THIS RFP

- A. The bidder's general approach and plans in meeting the requirements of this RFP.
- B. The bidder's detailed approach and plans to perform the services required by the Scope of Work of this RFP.
- C. The bidder's documented experience in successfully completing contracts of a similar size and scope to the work required by this RFP.
- D. The qualifications and experience of the bidder's management, supervisory or other key personnel assigned to the contract, with emphasis on documented experience in successfully completing work on contracts of similar size and scope to the work required by this RFP.
- E. The overall ability of the bidder to mobilize, undertake and successfully complete the contract. This judgment will include, but not be limited to, the following factors: the number and qualifications of management, supervisory and other staff proposed by the bidder to complete the contract, the availability and commitment to the contract of the bidder's management, supervisory and other staff proposed and the bidder's contract management plan, including the bidder's contract organizational chart.

6.3.2 THE BIDDER'S PRICE PROPOSAL

For evaluation purposes, bidders will be ranked according to the total bid price in [Attachment 5](#) , as modified by 6.3.3.

6.3.3 BID DISCREPANCIES

In evaluating bids, discrepancies between words and figures will be resolved in favor of words. Discrepancies between unit prices and totals of unit prices will be resolved in favor of unit prices. Discrepancies in the multiplication of units of work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated total of multiplied unit prices and units of work and the actual total will be resolved in favor of the actual total. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum of the column of figures.

6.4 CONTRACT AWARD

The contract shall be awarded with reasonable promptness by written notice to that responsible bidder whose bid proposal, conforming to the RFP, will be most advantageous to the State, price and other factors considered. Any or all bids may be rejected when the State Treasurer or the Director of the Division of Purchase and Property determines that it is in the public interest so to do.

7.0 ATTACHMENTS, SUPPLEMENTS AND APPENDICES

ATTACHMENTS - To be submitted with bid proposal.

1. [Ownership Disclosure Form](#)
- 1A. [Disclosure of Investigations and Actions Involving Bidder](#)
2. [MacBride Principles Form](#)
3. [Affirmative Action Supplement Forms](#)
4. [Subcontractor Set Aside Forms](#)
5. [Price Schedules](#)
6. [Executive Order 129 Certification](#) - Source Disclosure Certification Form
7. [Reciprocity Form](#) (*Optional Submittal*)

APPENDICES

1. [New Jersey Standard Terms and Conditions](#)
2. [Summary of Recent Market Assessments/Baseline Studies](#)
3. [Performance Indicators](#)
4. [Program Goals](#)

ATTACHMENT 1 - OWNERSHIP DISCLOSURE FORM

OWNERSHIP DISCLOSURE FORM

DEPARTMENT OF THE TREASURY
DIVISION OF PURCHASE & PROPERTY
STATE OF NEW JERSEY
33 W. STATE ST., 9TH FLOOR
PO BOX 230
TRENTON, NEW JERSEY 08625-0230

BID NUMBER: 06-X-38019

BIDDER: _____

INSTRUCTIONS: Provide below the names, home addresses, dates of birth, offices held and any ownership interest of all officers of the firm named above. If additional space is necessary, provide on an attached sheet.

<u>NAME</u>	<u>HOME ADDRESS</u>	<u>DATE OF BIRTH</u>	<u>OFFICE HELD</u>	<u>OWNERSHIP INTEREST</u> (Shares Owned or % of Partnership)
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

INSTRUCTIONS: Provide below the names, home addresses, dates of birth, and ownership interest of all individuals not listed above, and any partnerships, corporations and any other owner having a 10% or greater interest in the firm named above. If a listed owner is a corporation or partnership, provide below the same information for the holders of 10% or more interest in that corporation or partnership. If additional space is necessary, provide that information on an attached sheet Complete the certification at the bottom of this form. If this form has previously been submitted to the Purchase Bureau in connection with another bid, indicate changes, if any, where appropriate, and complete the certification below.

If there are no owners with 10% or more interest in your firm, enter "None" below.

<u>NAME</u>	<u>HOME ADDRESS</u>	<u>DATE OF BIRTH</u>	<u>OFFICE HELD</u>	<u>OWNERSHIP INTEREST</u> (Shares Owned or % of Partnership)
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

COMPLETE ALL QUESTIONS BELOW

	<u>YES</u>	<u>NO</u>
1. Within the past five years has another company or corporation had a 10% or greater interest in the firm identified above? (If yes, complete and attach a separate disclosure form reflecting previous ownership interests.)	_____	_____
2. Has any person or entity listed in this form or its attachments ever been arrested, charged, indicted or convicted in a criminal or disorderly persons matter by the State of New Jersey, any other State or the U.S. Government? (If yes, attach a detailed explanation for each instance	_____	_____
3. Has any person or entity listed in this form or its attachments ever been suspended, debarred or otherwise declared ineligible by any agency of government from bidding or contracting to provide services, labor, material, or supplies? (If yes, attach a detailed explanation for each instance	_____	_____
4. Are there now any criminal matters or debarment proceedings pending in which the firm and/or its officers and/or managers are involved? (If yes, attach a detailed explanation for each instance	_____	_____
5. Has any Federal, State or Local license, permit or other similar authorization, necessary to perform the work applied for herein and held or applied for by any person or entity listed in this form, been suspended or revoked, or been the subject or any pending proceedings specifically seeking or litigating the issue of suspension or revocation? (If yes, attach a detailed explanation for each instance)	_____	_____

CERTIFICATION: I, being duly sworn upon my oath, hereby represent and state that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I acknowledge that the State of New Jersey is relying on the information contained herein and thereby acknowledge that **I am under a continuing obligation from the date of this certification through the completion of any contracts with the State to notify the State in writing of any changes to the answers or information contained herein.** I acknowledge that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I recognize that I am subject to criminal prosecution under the law and that it will also constitute a material breach of my agreement(s) with the State of New Jersey and that the State at its option, may declare any contract(s) resulting from this certification void and unenforceable.

I, being duly authorized, certify that the information supplied above, including all attached pages, is complete and correct to the best of my knowledge, I certify that all of the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Company Name: _____

(Signature)

Address: _____

PRINT OR TYPE: _____

(Name)

PRINT OR TYPE: _____

(Title)

FEIN/SSN#: _____

Date _____

ATTACHMENT 1A - DISCLOSURE OF INVESTIGATIONS AND ACTIONS INVOLVING BIDDER

The bidder shall provide a detailed description of any investigation, litigation, including administrative complaints or other administrative proceedings, involving any public sector clients during the past five years including the nature and status of the investigation, and, for any litigation, the caption of the action, a brief description of the action, the date of inception, current status, and, if applicable, disposition.

Investigation

Indicate "NONE" if no investigations were undertaken. Attach additional pages if necessary.

Person or Entity	Date of Inception	Brief Description	Disposition/Status (if applicable)	Bidder Contact Name and Telephone Number for additional information

Litigation/Administrative Complaints

Indicate "NONE" if no Litigation/Administrative Complaints. Attach additional pages if necessary.

Person or Entity	Date of Inception	Caption of the Action	Brief Description of the Action	Current Status/Disposition, (if applicable)	Bidder Contact Name and Telephone Number for additional information

ATTACHMENT 2 - MACBRIDE PRINCIPLES FORM

NOTICE TO ALL BIDDERS
REQUIREMENT TO PROVIDE A CERTIFICATION
IN COMPLIANCE WITH MACBRIDE PRINCIPLES
AND NORTHERN IRELAND ACT OF 1989

Pursuant to Public Law 1995, c. 134, a responsible bidder selected, after public bidding, by the Director of the Division of Purchase and Property, pursuant to N.J.S.A. 52:34-12, or the Director of the Division of Building and Construction, pursuant to N.J.S.A. 52:32-2, must complete the certification below by checking one of the two representations listed and signing where indicated. If a bidder who would otherwise be awarded a purchase, contract or agreement does not complete the certification, then the Directors may determine, in accordance with applicable law and rules, that it is in the best interest of the State to award the purchase, contract or agreement to another bidder who has completed the certification and has submitted a bid within five (5) percent of the most advantageous bid. If the Directors find contractors to be in violation of the principles which are the subject of this law, they shall take such action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

I certify, pursuant to N.J.S.A. 52:34-12.2 that the entity for which I am authorized to bid:

- _____ has no ongoing business activities in Northern Ireland and does not maintain a physical presence therein through the operation of offices, plants, factories, or similar facilities, either directly or indirectly, through intermediaries, subsidiaries or affiliated companies over which it maintains effective control; or
- _____ will take lawful steps in good faith to conduct any business operations it has in Northern Ireland in accordance with the MacBride principles of nondiscrimination in employment as set forth in N.J.S.A. 52:18A-89.8 and in conformance with the United Kingdom's Fair Employment (Northern Ireland) Act of 1989, and permit independent monitoring of their compliance with those principles.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Signature of Bidder

Name (Type or Print)

Title (Type or Print)

Company Name (Type or Print)

Date

ATTACHMENT 3 – AFFIRMATIVE ACTION SUPPLEMENT

AFFIRMATIVE ACTION	TERM CONTRACT - ADVERTISED BID PROPOSAL
DEPT OF THE TREASURY DIVISION OF PURCHASE & PROPERTY STATE OF NEW JERSEY 33 WEST STATE STREET, 9TH FLOOR PO BOX 230 TRENTON, NEW JERSEY 08625-0230	NAME OF BIDDER: <hr style="border: 0; border-top: 1px solid black; margin-top: 5px;"/>
SUPPLEMENT TO BID SPECIFICATIONS	
<p>DURING THE PERFORMANCE OF THIS CONTRACT, THE CONTRACTOR AGREES AS FOLLOWS:</p> <ol style="list-style-type: none"> 1. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE, WILL NOT DISCRIMINATE AGAINST ANY EMPLOYEE OR APPLICANT FOR EMPLOYMENT BECAUSE OF AGE, RACE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION. THE CONTRACTOR WILL TAKE AFFIRMATIVE ACTION TO ENSURE THAT SUCH APPLICANTS ARE RECRUITED AND EMPLOYED, AND THAT EMPLOYEES ARE TREATED DURING EMPLOYMENT, WITHOUT REGARD TO THEIR AGE, RACE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION. SUCH ACTION SHALL INCLUDE, BUT NOT BE LIMITED TO THE FOLLOWING: EMPLOYMENT, UPGRADING, DEMOTION, OR TRANSFER; RECRUITMENT OR RECRUITMENT ADVERTISING; LAYOFF OR TERMINATION; RATES OF PAY OR OTHER FORMS OF COMPENSATION; AND SELECTION FOR TRAINING, INCLUDING APPRENTICESHIP. THE CONTRACTOR AGREES TO POST IN CONSPICUOUS PLACES, AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT, NOTICES TO BE PROVIDED BY THE PUBLIC AGENCY COMPLIANCE OFFICER SETTING FORTH PROVISIONS OF THIS NONDISCRIMINATION CLAUSE; 2. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE WILL, IN ALL SOLICITATIONS OR ADVERTISEMENTS ,FOR EMPLOYEES PLACED BY OR ON BEHALF OF THE CONTRACTOR, STATE THAT ALL QUALIFIED APPLICANTS WILL RECEIVE CONSIDERATION FOR EMPLOYMENT WITHOUT REGARD TO AGE, RACE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION. 3. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE, WILL SEND TO EACH LABOR UNION OR REPRESENTATIVE OR WORKERS WITH WHICH IT HAS A COLLECTIVE BARGAINING AGREEMENT OR OTHER CONTRACT OR UNDERSTANDING, A NOTICE, TO BE PROVIDED BY THE AGENCY CONTRACTING OFFICER ADVISING THE LABOR UNION OR WORKERS' REPRESENTATIVE OF THE CONTRACTOR'S COMMITMENTS UNDER THIS ACT AND SHALL POST COPIES OF THE NOTICE IN CONSPICUOUS PLACES AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT. 4. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE, AGREES TO COMPLY WITH THE REGULATIONS PROMULGATED BY THE TREASURER PURSUANT TO P.L. 1975, C. 127, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME AND THE AMERICANS WITH DISABILITIES ACT. 5. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO ATTEMPT IN GOOD FAITH TO EMPLOY MINORITY AND FEMALE WORKERS CONSISTENT WITH THE APPLICABLE COUNTY EMPLOYMENT GOALS PRESCRIBED BY N.J.A.C. 17:27-5.2 PROMULGATED BY THE TREASURER PURSUANT TO P.L. 1975, C. 127, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME OR IN ACCORDANCE WITH A BINDING DETERMINATION OF THE APPLICABLE COUNTY EMPLOYMENT GOALS DETERMINED BY THE AFFIRMATIVE ACTION OFFICE PURSUANT TO N.J.A.C. 17:27-5.2 PROMULGATED BY THE TREASURER PURSUANT TO P.L. 1975, C. 127, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME. 6. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO INFORM IN WRITING APPROPRIATE RECRUITMENT AGENCIES IN THE AREA, INCLUDING EMPLOYMENT AGENCIES, PLACEMENT BUREAUS, COLLEGES, UNIVERSITIES, LABOR UNIONS, THAT IT DOES NOT DISCRIMINATE ON THE BASIS OF AGE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION, AND THAT IT WILL DISCONTINUE THE USE OF ANY RECRUITMENT AGENCY WHICH ENGAGES IN DIRECT OR INDIRECT DISCRIMINATORY PRACTICES. 7. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO REVISE ANY OF ITS TESTING PROCEDURES, IF NECESSARY, TO ASSURE THAT ALL PERSONNEL TESTING CONFORMS WITH THE PRINCIPLES OF JOB-RELATED TESTING, AS ESTABLISHED BY THE STATUTES AND COURT DECISIONS OF THE STATE OF NEW JERSEY AND AS ESTABLISHED BY APPLICABLE FEDERAL LAW AND APPLICABLE FEDERAL COURT DECISIONS. 8. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO REVIEW ALL PROCEDURES RELATING TO TRANSFER, UPGRADING, DOWNGRADING AND LAYOFF TO ENSURE THAT ALL SUCH ACTIONS ARE TAKEN WITHOUT REGARD TO AGE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION, AND CONFORM WITH THE APPLICABLE EMPLOYMENT GOALS, CONSISTENT WITH THE STATUTES AND COURT DECISIONS OF THE STATE OF NEW JERSEY, AND APPLICABLE FEDERAL LAW AND APPLICABLE FEDERAL COURT DECISIONS. <p>THE CONTRACTOR AND ITS SUBCONTRACTORS SHALL FURNISH SUCH REPORTS OR OTHER DOCUMENTS TO THE AFFIRMATIVE ACTION OFFICE AS MAY BE REQUESTED BY THE OFFICE FROM TIME TO TIME IN ORDER TO CARRY OUT THE PURPOSES OF THESE REGULATIONS, AND PUBLIC AGENCIES SHALL FURNISH SUCH INFORMATION AS MAY BE REQUESTED BY THE AFFIRMATIVE ACTION OFFICE FOR CONDUCTING A COMPLIANCE INVESTIGATION PURSUANT TO SUBCHAPTER 10 OF THE ADMINISTRATIVE CODE (NJAC17:27).</p> <p>* NO FIRM MAY BE ISSUED A PURCHASE ORDER OR CONTRACT WITH THE STATE UNLESS THEY COMPLY WITH THE AFFIRMATIVE ACTION REGULATIONS</p> <p style="text-align: center;"><u>PLEASE CHECK APPROPRIATE BOX (ONE ONLY)</u></p> <p><input type="checkbox"/> I HAVE A CURRENT NEW JERSEY AFFIRMATIVE ACTION CERTIFICATE, (PLEASE ATTACH A COPY TO YOUR PROPOSAL).</p> <p><input type="checkbox"/> I HAVE A VALID FEDERAL AFFIRMATIVE ACTION PLAN APPROVAL LETTER, (PLEASE ATTACH A COPY TO YOUR PROPOSAL).</p> <p><input type="checkbox"/> I HAVE COMPLETED THE ENCLOSED FORM AA302 AFFIRMATIVE ACTION EMPLOYEE INFORMATION REPORT.</p>	

INSTRUCTIONS FOR COMPLETING THE AFFIRMATIVE ACTION EMPLOYEE INFORMATION REPORT (FORM AA302)

IMPORTANT:

READ THE FOLLOWING INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE FORM. PRINT OR TYPE ALL INFORMATION. FAILURE TO PROPERLY COMPLETE THE ENTIRE FORM MAY DELAY ISSUANCE OF YOUR CERTIFICATE.

Item 1 - Enter the Federal Identification Number assigned to the Contractor or vendor by the Internal Revenue Service, or if a Federal Employer Identification Number has been applied for, but not yet issued, write the words "applied for",

or

If your business is such that you have not, or will not receive a Federal Employer Identification Number, enter the Social Security Number assigned to the single owner or to a partner, in case of partnership.

Item 2 - Check the box appropriate to your TYPE OF BUSINESS. If you are engaged in more than one type of business, check the predominant one. If you are a manufacturer deriving more than 50% of your receipts from your own retail outlets, check "Retail".

Item 3 - Enter the total "number" of employees in the entire company, including part-time employees. This number shall include all facilities in the entire firm or corporation.

Item 4 - Enter the name by which the company is identified. If there is more than one company name, enter the predominant one.

Item 5 - Enter the physical location of the company, include City, County, State and Zip Code.

Item 6 - Enter the name of any parent or affiliated company including City, State and Zip Code. If there is none, so indicate by entering "None" or N/A.

Item 7 - Check the appropriate box for the total number of employees in the entire company. "Entire Company" shall include all facilities in the entire firm or corporation, including part-time employees, not use those employees at the facility being awarded the contract.

Item 8 - Check the box appropriate to your type of company establishment. Single-establishment Employer shall include an employer whose business is conducted at more than one location.

Item 9 - If multi-establishment was entered in Item 8, enter the number of establishments within the State of New Jersey.

Item 10 - Enter the total number of employees at the establishment being awarded the contract.

Item 11 - Enter the name of the Public Agency awarding the contract. Include City, State and Zip Code.

Item 12 - Enter the appropriate figures on all lines and in all columns. THIS SHALL ONLY INCLUDE EMPLOYMENT DATA FROM THE FACILITY THAT IS BEING AWARDED THE CONTRACT. DO NOT list the same employee in more than one job category.

Racial/Ethnic Groups will be so defined:

Black: Not of Hispanic origin. Persons have origin in any of the Black racial groups of Africa.

Hispanic: Persons of Mexican, Puerto Rican, Cuban or Central or South American or other Spanish culture or origin, regardless of race.

American Indian or Alaskan Native: Persons having origins in any of the original peoples of North America, and who maintain cultural identification through tribal affiliation or community recognition.

Asian or Pacific Islander: Persons having origin in any of the peoples of the Far East, Southeast Asia, the Indian Subcontinent or the Pacific Islands. This area includes for example, China, Japan, the Philippine Islands and Samoa.

Item 13 - Check the appropriate box, if the race or ethnic group information was not obtained by 1 or 2, specify by what other means this was done in 3.

Item 14 - Enter the dates of the payroll period used to prepare the employment data presented in Item 12.

Item 15 - If this is the first time an Employee Information Report has been submitted for this company, check block "Yes".

Item 16 - If the answer to Item 15 is "No", enter the date when the last Employee Information Report was submitted by this company.

Item 17 - Print or type the name of the person completing this form. Include the signature, title and date.

Item 18 - Enter the physical location where the form is being completed. Include City, State, Zip Code and Phone Number.

State of New Jersey

AFFIRMATIVE ACTION EMPLOYEE INFORMATION REPORT

IMPORTANT - READ INSTRUCTIONS ON PRIOR PAGE CAREFULLY BEFORE COMPLETING FORM. TYPE OR PRINT SHARP BALL POINT PEN. FAILURE TO PROPERLY COMPLETE THE ENTIRE FORM MAY DELAY ISSUANCE OF YOUR CERTIFICATE.

SECTION A - COMPANY IDENTIFICATION

1. FID. NO. OR SOCIAL SECURITY	2. TYPE OF BUSINESS <input type="checkbox"/> 1. MFG. <input type="checkbox"/> 2. SERVICE <input type="checkbox"/> 3. WHOLESALE <input type="checkbox"/> 4. RETAIL <input type="checkbox"/> 5. OTHER	3. TOTAL NO. OF EMPLOYEES IN THE ENTIRE COMPANY
4. COMPANY NAME		
5. STREET	CITY	COUNTY STATE ZIP CODE
6. NAME OF PARENT OR AFFILIATED COMPANY (IF NONE, SO INDICATE)		CITY STATE ZIP CODE
7. DOES THE ENTIRE COMPANY HAVE A TOTAL OF AT LEAST 50 EMPLOYEES? <input type="checkbox"/> YES <input type="checkbox"/> NO		
8. CHECK ONE: IS THE COMPANY: <input type="checkbox"/> SINGLE-ESTABLISHMENT EMPLOYER <input type="checkbox"/> MULTI-ESTABLISHMENT EMPLOYER		
9. IF MULTI-ESTABLISHMENT EMPLOYER, STATE THE NUMBER OF ESTABLISHMENTS IN N.J.: []		
10. TOTAL NUMBER OF EMPLOYEES AT THE ESTABLISHMENT WHICH HAS BEEN AWARDED THE CONTRACT: []		
11. PUBLIC AGENCY AWARDED CONTRACT:		CITY STATE ZIP CODE

OFFICIAL USE ONLY

DATE RECEIVED		OUT OF STATE PERCENTAGES	ASSIGNED CERTIFICATION NUMBER
MO/DAY/YR	COUNTY	MINORITY FEMALE	

SECTION B - EMPLOYMENT DATA

12. Report all permanent, temporary and part-time employees ON YOUR OWN PAYROLL. Enter the appropriate figures on all lines and in all columns. Where there are no employees in a particular category, enter a zero. Include ALL employees, not just those in minority categories, in columns 1, 2, & 3.

JOB CATEGORIES	ALL EMPLOYEES			MINORITY GROUP EMPLOYEES (PERMANENT)							
	Col. 1 TOTAL (Cols. 2&3)	Col. 2 MALE	Col. 3 FEMALE	MALE				FEMALE			
				BLACK	HISPANIC	AMERICAN INDIAN	ASIAN	BLACK	HISPANIC	AMERICAN INDIAN	ASIAN
Officials and Managers											
Professionals											
Technicians											
Sales Workers											
Office and Clerical											
Craftworkers (Skilled)											
Operatives (Semi-skilled)											
Laborers (Unskilled)											
Service Workers											
TOTAL											
Total employment from Previous Report (if any)											

The data below shall NOT be included in the request for the categories above.

Temporary and Part-time Employees										
13. HOW WAS INFORMATION AS TO RACE OR ETHNIC GROUP IN SECTION B OBTAINED? <input type="checkbox"/> 1. VISUAL SURVEY <input type="checkbox"/> 2. EMPLOYMENT RECORD <input type="checkbox"/> 3. OTHER (SPECIFY)						15. IS THIS THE FIRST EMPLOYEE INFORMATION REPORT (AA.302) SUBMITTED? <input type="checkbox"/> 1. YES <input type="checkbox"/> 2. NO		16. IF NO, DATE OF LAST REPORT SUBMITTED MO. DAY YEAR		
14. DATES OF PAYROLL PERIOD USED										

SECTION C - SIGNATURE AND IDENTIFICATION

17. NAME OF PERSON COMPLETING FORM (PRINT OR TYPE) (CONTRACTOR EEO OFFICER)	SIGNATURE	TITLE	MO. DAY YEAR
18. ADDRESS (NO. & STREET)	(CITY)	(STATE)	(ZIP CODE) PHONE (AREA CODE, NO. & EXTENSION)

FORM AA302

ATTACHMENT 4 - SUBCONTRACTOR SET ASIDE FORMS

NOTICE TO ALL BIDDERS

NOTICE OF INTENT TO SUBCONTRACT FORM

SUBCONTRACTOR UTILIZATION PLAN FORM

PROCEDURES FOR SMALL BUSINESS PARTICIPATION AS SUBCONTRACTORS

If the bidder intends to utilize any subcontractors during the course of the contract(s) to be awarded as a result of this Request for Proposal (RFP), the bidder will include small business subcontracting targets pursuant to NJAC 17:13-4. and Executive Order 71. Each bidder is required to make a good faith effort to meet the set-aside subcontracting targets of awarding a total of twenty-five percent (25%) of the value of the contract to New Jersey-based, New Jersey Commerce and Economic Growth Commission-registered (Commerce) small businesses, with a minimum of five (5) percent awarded to each of the three categories set forth below, and the balance of ten (10) percent spread across the three categories. **All bidders must complete the Notice of Intent to Subcontract form.** Failure to include a completed and signed *Notice of Intent to Subcontract* form will be sufficient cause to reject a bidder's proposal as non-responsive.

Pursuant to Section 3.11 of the Standard Terms and Conditions, **any bidder intending to subcontract must also complete the Subcontractor Utilization Plan (Plan).** Bidders are instructed to list ***all*** proposed subcontractors on the *Plan*. A bidder intending to subcontract must include a completed and signed *Plan* or be subject to rejection of its proposal as non-responsive.

DEFINITIONS:

"Small business" means a business that

- ☐ is independently owned and operated
- ☐ is incorporated or registered in and has its principal place of business located in the State of New Jersey.
- ☐ Has 100 or fewer full-time employees
- ☐ Has gross revenues falling in one of the following three categories:
 1. 0 to \$500,000 (Category I);
 2. \$500,001 to \$5,000,000 (Category II);
 3. \$5,000,001 to \$12,000,000 (Category III).

"Commerce-registered" means a small business that meets the requirements and definitions of "small business" and has applied for and been approved by Commerce as a small business.

SUGGESTED PROCEDURE TO DEMONSTRATE A GOOD FAITH EFFORT:

If a bidder intends to subcontract, the following actions should be taken to achieve the set-aside subcontracting goal requirements:

1. Attempt to locate eligible small businesses in Categories I, II and III appropriate to the RFP;
2. Request a listing of small businesses by Category from Commerce;
3. Record efforts to locate eligible businesses, including the names of businesses contacted and the means and results of such contacts;
4. Provide all potential subcontractors with detailed information regarding the specifications;
5. Attempt, whenever possible, to negotiate prices with potential subcontractors submitting higher than acceptable price quotes;
6. Obtain, in writing, the consent of any proposed subcontractor to use its name in response to the RFP; and,
7. Maintain adequate records documenting efforts to achieve the set-aside subcontracting goals.

Proposals should also contain the following items with the *Plan*, as applicable:

1. A copy of Commerce's proof of registration as a small business for any business proposed as a subcontractor; and,
2. Documentation of the bidder's good faith effort to meet the targets of the set-aside subcontracting requirement in sufficient detail to permit the Business Unit of the Division of Purchase and Property to effectively assess the bidder's efforts to comply if the bidder has failed to attain the statutory goals.

If awarded the contract, the bidder shall notify each subcontractor listed in the *Plan*, in writing.

NOTE THAT A BIDDER'S FAILURE TO SATISFY THE SMALL BUSINESS SUBCONTRACTING TARGETS OR PROVIDE SUFFICIENT DOCUMENTATION OF ITS GOOD FAITH EFFORTS TO MEET THE TARGETS WITH THE BID PROPOSAL OR WITHIN SEVEN (7) BUSINESS DAYS UPON REQUEST SHALL PRECLUDE AWARD OF A CONTRACT TO THE BIDDER.

Bidders seeking eligible small businesses should contact:

New Jersey Commerce and Economic Growth Commission
Office of Small Business
20 West State Street
PO Box 820
Trenton, New Jersey 08625-0820

Telephone: (609) 292-2146

Each bidder awarded a contract for a procurement which contains the set-aside subcontracting goal requirement shall fully cooperate in any studies or surveys which may be conducted by the State to determine the extent of the bidder's compliance with NJAC 17:13-1.1 et seq., and this *Notice to All Bidders*.

REQUIRED SUBMISSION

STATE OF NEW JERSEY DIVISION OF PURCHASE AND PROPERTY (DPP)

NOTICE OF INTENT TO SUBCONTRACT FORM

THIS ***NOTICE OF INTENT TO SUBCONTRACT*** FORM MUST BE COMPLETED AND INCLUDED AS PART OF EACH BIDDER'S PROPOSAL. FAILURE TO SUBMIT THIS FORM WILL BE CAUSE FOR REJECTION OF THE BID AS NON-RESPONSIVE.

DPP Solicitation Number:	DPP Solicitation Title:
Bidder's Name and Address:	

INSTRUCTIONS: PLEASE CHECK ONE OF THE BELOW LISTED BOXES:

☐ **If awarded this contract, I will engage subcontractors to provide certain goods and/or services.**

ALL BIDDERS THAT INTEND TO ENGAGE SUBCONTRACTORS MUST ALSO SUBMIT A COMPLETED AND CERTIFIED ***SUBCONTRACTOR UTILIZATION PLAN*** WITH THEIR BID PROPOSALS.

☐ **If awarded this contract, I do not intend to engage subcontractors to provide any goods and/or services.**

ALL BIDDERS THAT DO NOT INTEND TO ENGAGE SUBCONTRACTORS MUST ATTEST TO THE FOLLOWING CERTIFICATION:

I hereby certify that if the award is granted to my firm and if I determine at any time during the course of the contract to engage subcontractors to provide certain goods and/or services, pursuant to Section 3.11 of the Standard Terms and Conditions, I will submit the ***Subcontractor Utilization Plan (Plan)*** for approval to the Division of Purchase and Property in advance of any such engagement of subcontractors. Additionally, I certify that in engaging subcontractors, I will make a good faith effort to achieve the subcontracting set-aside goals established for this contract, and I will attach to the ***Plan*** documentation of such efforts in accordance with NJAC 17:13-4 and the ***Notice to All Bidders***.

PRINCIPAL OF FIRM:

(Signature)

(Title)

(Date)

REQUIRED SUBMISSION IF BIDDER INTENDS TO SUBCONTRACT

STATE OF NEW JERSEY, DIVISION OF PURCHASE AND PROPERTY (DPP) SUBCONTRACTOR UTILIZATION PLAN (REFERENCED IN RFP STANDARD TERMS AND CONDITIONS)	DPP Solicitation No.:
NOTE: If utilizing subcontractors, failure to submit this properly completed form will be sufficient cause for rejection of the bid as non-responsive.	DPP Solicitation Title:
Bidder's Name and Address:	• Bidder's Telephone No.: _____ • Bidder's Contact Person: _____

INSTRUCTIONS: List all businesses to be used as subcontractors. This form may be duplicated for extended lists.

SUBCONTRACTOR'S NAME ADDRESS, ZIP CODE TELEPHONE NUMBER AND VENDOR ID NUMBER	REGISTERED WITH NJ COMMERCE AND ECONOMIC GROWTH COMMISSION *			TYPE(S) OF GOODS OR SERVICES TO BE PROVIDED	ESTIMATED VALUE OF SUBCONTRACTS
	SMALL BUSINESS CATEGORY				
	I	II	III		

* For those Bidders listing Small Business Subcontractors: Attach copies of NJ Commerce & Economic Growth Commission registration for each subcontractor listed. If bidder has not achieved established subcontracting set-aside goals, also attach documentation of good faith effort to do so in the relevant category in accordance with NJAC17:13-4 and the Notice to All Bidders.

I hereby certify that this Subcontractor Utilization Plan (Plan) is being submitted in good faith. I certify that each subcontractor has been notified that it has been listed on this Plan and that each subcontractor has consented, in writing, to its name being submitted for this contract. Additionally, I certify that I shall notify each subcontractor listed on the Plan, in writing, if the award is granted to my firm, and I shall make all documentation available to the Division of Purchase and Property upon request.

I further certify that all information contained in this Plan is true and correct and I acknowledge that the State will rely on the truth of the information in awarding the contract.

PRINCIPAL OF FIRM:

(Signature)

(Title)

(Date)

ATTACHMENT 5 - PRICE SCHEDULES

MANAGEMENT CONSULTING - MARKET ASSESSMENT SERVICES – NEW JERSEY’S CLEAN ENERGY PROGRAM- ENERGY EFFICIENCY PROGRAMS

Bid Number 06-X-38019

Bidder Name: _____

Management Consulting - Market Assessment Services
NJBPB – Office of Clean Energy

Attachment 5

Price Schedule - 1

Unit Price X Est. Quantity = Total

Line #	Price Schedule - 1 Bid Item	Firm Fixed Unit Price	Estimated Quantity	Total
1	Kickoff Meeting: The contractor shall attend the kickoff meeting and deliver the kickoff meeting summary report as set out on Section 3.1 above	\$	1	\$
2	Weekly Teleconference: Weekly teleconference with a written summary submitted as an email as set out on Section 3.2 above	\$	20	\$
3	Monthly Progress Report: The contractor shall deliver Monthly Progress Report as set out on Section 3.3 above	\$	5	\$
4	Meetings: The contractor shall attend meetings and provide any materials or reports required for that meeting. The contractor shall prepare minutes of the meeting and provide them to all meeting attendees as set out on Section 3.4 above	\$	5	\$
5	Approach to Evaluation Report: The contractor shall deliver a draft(s) and a final approved Approach to Evaluation Report (Work Plan) as set out on Section	\$	1	\$

	3.6 above			
6	Previous Evaluations Report: The contractor shall deliver a draft(s) and a final approved plan for utilizing the information included in previous studies and for leveraging other national and regional evaluation activities as set out on Sections 3.7 and 3.8 above. Insert price from Price Schedule 2	\$	1	\$
7	Market Assessment Report: The contractor shall submit a draft and final Market Assessment Report that addresses all the items in Section 3.9, 3.10, 3.11, 3.12, and 3.13. Insert price from Price Schedule 3	\$	1	\$
8	Market Share Monitoring Report: The contractor shall deliver a draft and final Market Share Monitoring Report that includes all information specified in Section 3.14, 3.14.1 and 3.14.2. Insert price from Price Schedule 4	\$	1	\$
9.	Baseline Study Report: The contractor shall submit a draft and final Baseline Study Report that includes all the information noted in Section 3.15. Insert price from Price Schedule 5	\$	1	\$
10	Performance Indicator Report: The contractor shall deliver a draft and final Performance Indicator Report that includes all the information specified in Section 3.16. Insert price from Price Schedule 6	\$	1	\$
11	OCE Program Goals Report: The contractor shall submit an OCE Program Goals Report that supplies all the information specified in Section 3.17 above. Insert price from Price Schedule 7	\$	1	\$
12	C&I Market Barrier and Market Segmentation Report: The contractor			

	shall submit a C&I Market Barrier and Market Segmentation Report that responds to all the requirements specified in Section 3.18. Insert price from Price Schedule 8	\$	1	\$
13	Upgrade of Energy Efficiency Codes and Standards Report: The contractor shall submit an Upgrade of Energy Efficiency Codes and Standards Report that includes all the information needed to respond to Section 3.19. Insert price from Price Schedule 9	\$	1	\$
14	Rebate and Incentive Level Recommendation Report: The Contractor shall submit a Rebate and Incentive level Recommendation Report. Insert price from Price Schedule 10	\$	1	\$
15	Market Assessment Services Report: The contractor shall deliver 10 drafts and 15 final bound and printed copies of the Market Assessment Services Report to the BPU Contract Manager. The report shall also be provided in PDF format. Delivery of this report shall include one appearance and discussion with the OCE Staff and one presentation to the Clean Energy Council concerning its contents and ramifications.	\$	1	\$
16	Additional Final Bound Copies of the Management Consulting - Market Assessment Services Report: If additional copies of the final bound report are needed beyond those specified in Line 15 above, the contractor shall deliver final bound and printed copies of the Market Assessment Services Report to the BPU Contract Manager (Price per additional Report).	\$	20	\$
Total Bid Price (Total of price lines 1 through 16 above)				\$

Bidders must supply a bid price for every price line.

Bidder Name:_____

Management Consulting - Market Assessment Services
NJBPU – Office of Clean Energy

Attachment 5

**Previous Evaluations Report
Price Schedule – 2**

The bidder shall provide supporting information on the human resources that will be provided to produce the Previous Evaluations Report.

Personnel Hourly Rate X Hours = Total
Contract Project Administrator (No Higher Management)

Name:.....\$_____ X _____ = \$_____

Research Specialists and other Professional Staff

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Administrative Support Specialists (no clerical staff)

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Total Hours _____

Total Bid Price for a Previous Evaluations Report \$_____

(Insert total price here and on line 6 on Price Schedule 1)

Bidder Name:_____

Management Consulting - Market Assessment Services
NJBPU – Office of Clean Energy

Attachment 5

**Management Consulting - Market Assessment Report
Price Schedule – 3**

The bidder shall provide supporting information on the human resources that will be provided to produce the Market Assessment Report.

Personnel Hourly Rate X Hours = Total
Contract Project Administrator (No Higher Management)

Name:.....\$_____ X _____ = \$_____

Research Specialists and other Professional Staff

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Administrative Support Specialists (no clerical staff)

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Total Hours _____

**Total Bid Price for a Management Consulting
- Market Assessment Report**

\$_____

(Insert total price here and on line 7 on Price Schedule 1)

Bidder Name:_____

Management Consulting - Market Assessment Services
NJBPB – Office of Clean Energy

Attachment 5

**Market Share Monitoring Report
Price Schedule – 4**

The bidder shall provide supporting information on the human resources that will be provided to produce the Market Share Monitoring Report.

Personnel Hourly Rate X Hours = Total
Contract Project Administrator (No Higher Management)

Name:.....\$_____ X _____ = \$_____

Research Specialists and other Professional Staff

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Administrative Support Specialists (no clerical staff)

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Total Hours _____

Total Bid Price for a Market Share Monitoring Report Project Plan \$_____
(Insert total price here and on line 8 on Price Schedule 1)

Bidder Name: _____

Management Consulting - Market Assessment Services
NJBP – Office of Clean Energy

Attachment 5

Baseline Study Report Price Schedule – 5

The bidder shall provide supporting information on the human resources that will be provided to produce the Baseline Study Report.

Personnel	Hourly Rate	X	Hours	=	Total
Contract Project Administrator(No Higher Management)					

Name:\$ X = \$

Research Specialists and other Professional Staff

Name:\$ X = \$

Name:.....\$ X = \$

Name:.....\$_____ X _____ = \$_____

Name:\$ X = \$

Name:.....\$ _____ X _____ = \$ _____

Administrative Support Specialists (no clerical staff)

Name:.....\$ _____ X _____ = \$ _____

Name: \$ X = \$

Total Hours

Total Bid Price for a Baseline Study Report: \$_____

(Insert total price here and on line 9 on Price Schedule 1)

Bidder Name: _____

Management Consulting - Market Assessment Services
NJBP – Office of Clean Energy

Attachment 5

Performance Indicator Report

Price Schedule – 6

The bidder shall provide supporting information on the human resources that will be provided to produce the Performance Indicator Report:

Personnel	Hourly Rate	X	Hours	=	Total
Contract Project Administrator(No Higher Management)					

Name: \$ X = \$

Research Specialists and other Professional Staff

Name: \$ X = \$

Name: \$ X = \$

Name: \$ _____ X _____ = \$ _____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Administrative Support Specialists (no clerical staff)

Name: \$ X = \$

Name:\$ X = \$

Total Hours _____

Total Bid Price for Performance Indicator Report \$ _____
(Insert total price here and on line 10 on Price Schedule 1)

Bidder Name:_____

Management Consulting - Market Assessment Services
NJBPU – Office of Clean Energy

Attachment 5

OCE Program Goals Report
Price Schedule – 7

The bidder shall provide supporting information on the human resources that will be provided to produce the OCE Program Goals Report

Personnel _____ Hourly Rate X Hours = Total
Contract Project Administrator(No Higher Management)

Name:.....\$_____ X _____ = \$_____

Research Specialists and other Professional Staff

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Administrative Support Specialists (no clerical staff)

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Total Hours _____

Total Bid Price OCE Program Goals Report \$_____
(Insert total price here and on line 11 on Price Schedule 1)

Bidder Name:_____

Management Consulting - Market Assessment Services
NJBPUP – Office of Clean Energy

Attachment 5

C&I Market Barrier and Market Segmentation Report
Price Schedule – 8

The bidder shall provide supporting information on the human resources that will be provided to produce the C&I Market Barrier and Market Segmentation Report.

Personnel _____ Hourly Rate X Hours = Total
Contract Project Administrator(No Higher Management)

Name:.....\$_____ X _____ = \$_____

Research Specialists and other Professional Staff

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Administrative Support Specialists (no clerical staff)

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Total Hours _____

Total Bid Price for C&I Market Barrier
and Market Segmentation Report: \$_____
(Insert total price here and on line 12 on Price Schedule 1)

Bidder Name: _____

Management Consulting - Market Assessment Services
NJBP – Office of Clean Energy

Attachment 5

Upgrade of Energy Efficiency Codes and Standards Report

Price Schedule – 9

The bidder shall provide supporting information on the human resources that will be provided to produce the Upgrade of Energy Efficiency Codes and Standards Report.

Personnel	Hourly Rate	X	Hours	=	Total
Contract Project Administrator(No Higher Management)					

Name: \$ X = \$

Research Specialists and other Professional Staff

Name: \$ X = \$

Name:.....\$ _____ X _____ = \$ _____

Name: \$ X = \$

Name: \$ _____ X _____ = \$ _____

Name: \$ X = \$

Administrative Support Specialists (no clerical staff)

Name: \$ X = \$

Name: \$ X = \$

Total Hours

**Total Bid Price for Upgrade of Energy Efficiency Codes
and Standards Report: \$**

(Insert total price here and on line 13 on Price Schedule 1)

Bidder Name: _____

Management Consulting - Market Assessment Services
NJBPB – Office of Clean Energy

Attachment 5

**Rebate and Incentive Level Recommendation Report
Price Schedule – 10**

The bidder shall provide supporting information on the human resources that will be provided to produce the Rebate and Incentive Level Recommendation Report

Personnel Hourly Rate X Hours = Total
Contract Project Administrator(No Higher Management)

Name:.....\$_____ X _____ = \$_____

Research Specialists and other Professional Staff

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Administrative Support Specialists (no clerical staff)

Name:.....\$_____ X _____ = \$_____

Name:.....\$_____ X _____ = \$_____

Total Hours _____

**Total Bid Price for Rebate and
Incentive Level Recommendation Report \$_____**
(Insert total price here and on line 14 on Price Schedule 1)

ATTACHMENT 6 – EXECUTIVE ORDER 129 CERTIFICATION

SOURCE DISCLOSURE CERTIFICATION FORM

Bidder: _____

Solicitation Number: _____

I hereby certify and say:

I have personal knowledge of the facts set forth herein and am authorized to make this Certification on behalf of the Bidder.

The Bidder submits this Certification as part of a bid proposal in response to the referenced solicitation issued by the Division of Purchase and Property, Department of the Treasury, State of New Jersey (the "Division"), in accordance with the requirements of Executive Order 129, issued by Governor James E. McGreevey on September 9, 2004 (hereinafter "E.O. No. 129").

The following is a list of every location where services will be performed by the bidder and all subcontractors.

Bidder or Subcontractor	Description of Services	Performance Location[s] by Country
----------------------------	----------------------------	--

Any changes to the information set forth in this Certification during the term of any contract awarded under the referenced solicitation or extension thereof will be immediately reported by the Vendor to the Director, Division of Purchase and Property (the "Director").

I understand that, after award of a contract to the Bidder, it is determined that the Bidder has shifted services declared above to be provided within the United States to sources outside the United States, prior to a written determination by the Director that extraordinary circumstances require the shift of services or that the failure to shift the services would result in economic hardship to the State of New Jersey, the Bidder shall be deemed in breach of contract, which contract will be subject to termination for cause pursuant to Section 3.5b.1 of the Standard Terms and Conditions.

I further understand that this Certification is submitted on behalf of the Bidder in order to induce the Division to accept a bid proposal, with knowledge that the Division is relying upon the truth of the statements contained herein.

I certify that, to the best of my knowledge and belief, the foregoing statements by me are true. I am aware that if any of the statements are willfully false, I am subject to punishment.

Bidder: _____
[Name of Organization or Entity]

By: _____

Title: _____

Print Name: _____

Date: _____

ATTACHMENT 7 - RECIPROCITY FORM

RECIPROCITY FORM **(Optional Submission)**

IMPORTANT NOTICE TO ALL BIDDERS

Effective October 7, 1991 in accordance with N.J.S.A. 52:32-1.4 and N.J.A.C. 17:12-2.13, the State of New Jersey will invoke reciprocal action against an out-of-State bidder whose State or locality maintains a preference practice for their bidders.

For States having preference laws, regulations, or practices, New Jersey will use the annual surveys compiled by the Council of State Governments, National Association of State Purchasing Officials, or the National Institute of Governmental Purchasing to invoke reciprocal actions. The State may obtain additional information anytime it deems appropriate to supplement the above survey information.

Any bidder may submit information related to preference practices enacted for a local entity outside the State of New Jersey. This information may be submitted in writing as part of the bid response proposal, and should be in the form of resolutions passed by an appropriate governing body, regulations, a Notice to Bidders, laws, etc. It is the responsibility of the bidder to provide the documentation with the bid proposal or submit it to the Director, Division of Purchase and Property within five (5) working days of the public bid opening. Written evidence for a specific procurement that is not provided to the Director within five working days of the public bid opening will not be considered in the evaluation of that procurement, but will be retained and considered in the evaluation of subsequent procurements.

Any bidder having evidence of out-of-State local entities invoking preference practices should complete the form below, with a copy of appropriate documentation. The form and documentation may be submitted with your bid response proposal.

.....

Name of Locality having preference practices:

City /Town/Authority	
County	
State	

☐ Documentation Attached

☐ Resolution ☐ Regulations/Laws
☐ Notice to Bidder ☐ Other _____

Name of Firm Submitting this information _____

Please Print

APPENDICES

APPENDIX 1 NJ STATE STANDARD TERMS AND CONDITIONS

STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS

- I. Unless the bidder is specifically instructed otherwise In the Request for Proposal, the following terms and conditions will apply to all contracts or purchase agreements made with the State of New Jersey. These terms are in addition to the terms and conditions set forth in the Request for Proposal (RFP) and should be read in conjunction with same unless the RFP specifically indicates otherwise. If a bidder proposes changes or modifications or takes exception to any of the State's terms and conditions, the bidder must so state specifically in writing in the bid proposal. Any proposed change, modification or exception in the State's terms and conditions by a bidder will be a factor in the determination of an award of a contractor purchase agreement.
- II. All of the State's terms and conditions will become a part of any contract(s) or order(s) awarded as a result of the Request for Proposal, whether stated in part, in summary or by reference. In the event the bidder's terms and conditions conflict with the State's, the State's terms and conditions will prevail, unless the bidder is notified in writing of the State's acceptance of the bidder's terms and conditions.
- III. The statutes, laws or codes cited are available for review at the New Jersey State Library, 185 West State Street, Trenton, New Jersey 08625.
- IV. If awarded a contract or purchase agreement, the bidder's status shall be that of any independent principal and not as an employee of the State.

1. STATE LAW REQUIRING MANDATORY COMPLIANCE BY ALL CONTRACTORS

- 1.1 BUSINESS REGISTRATION** – Effective September 1, 2004, pursuant to an amendment to N.J.S.A. 52:32-44, State and local entities (including the Division of Purchase and Property) are prohibited from entering into a contract with an entity unless the contractor has provided a copy of its business registration certificate (or interim registration) as part of its bid submission. Failure to submit a copy of the Business Registration Certificate within the bid proposal may be cause for rejection of the bid proposal.

The contractor and any subcontractor providing goods or performing services under the contract, and each of their affiliates, shall, during the term of the contract, collect and remit to the Director of the Division of Taxation in the Department of the Treasury the use tax due pursuant to the "Sales and Use Tax Act, P.L. 1966, c. 30 (N.J.S.A. 54:32B-1 et seq.) on all their sales of tangible personal property delivered into the State. This requirement shall apply to all contracts awarded on and after September 1, 2004. Any questions in this regard can be directed to the Division of Revenue at (609) 292-1730. Form NJ-REG can be filed online at <http://www.state.nj.us/treasury/revenue/busregcert.htm>

- 1.2 ANTI-DISCRIMINATION** - All parties to any contract with the State of New Jersey agree not to discriminate in employment and agree to abide by all anti-discrimination laws including those contained within N.J.S.A. 10:2-1 through N.J.S.A. 10:2-4, N.J.S.A.10:5-1 et seq. and N.J.S.A.10:5-31 through 10:5-38, and all rules and regulations issued there under.
- 1.3 PREVAILING WAGE ACT** - The New Jersey Prevailing Wage Act, N.J.S.A. 34: 11-56.26 et seq. is hereby made part of every contract entered into on behalf of the State of New Jersey through the Division of Purchase and Property, except those contracts which are not within the contemplation of the Act. The bidder's signature on this proposal is his guarantee that neither he nor any subcontractors he might employ to perform the work covered by this proposal has been suspended or debarred by the Commissioner, Department of Labor for violation of the provisions of the Prevailing Wage Act.
- 1.4 AMERICANS WITH DISABILITIES ACT** - The contractor must comply with all provisions of the Americans With Disabilities Act (ADA), P.L 101-336, in accordance with 42 U.S.C. 12101 et seq.
- 1.5 THE WORKER AND COMMUNITY RIGHT TO KNOW ACT** - The provisions of N.J.S.A. 34:5A-I et seq. which require the labeling of all containers of hazardous substances are applicable to this contract. Therefore, all goods offered for purchase to the State must be labeled by the contractor in compliance with the provisions of the Act.
- 1.6 OWNERSHIP DISCLOSURE** - Contracts for any work, goods or services cannot be issued to any corporation or partnership unless prior to or at the time of bid submission the bidder has disclosed the names and addresses of all its owners holding 10% or more of the corporation or partnership's stock or interest. Refer to N.J.S.A. 52:25-24.2.
- 1.7 COMPLIANCE - LAWS** - The contractor must comply with all local, state and federal laws, rules and regulations applicable to this contract and to the goods delivered and/or services performed hereunder.

- 1.8 **COMPLIANCE - STATE LAWS** - It is agreed and understood that any contracts and/or orders placed as a result of this proposal shall be governed and construed and the rights and obligations of the parties hereto shall be determined in accordance with the laws of the STATE OF NEW JERSEY.
- 1.9 **COMPLIANCE - CODES** - The contractor must comply with NJUCC and the latest NEC70, B.O.C.A. Basic Building code, OSHA and all applicable codes for this requirement. The contractor will be responsible for securing and paying all necessary permits, where applicable.

2. **LIABILITIES**

- 2.1 **LIABILITY - COPYRIGHT** - The contractor shall hold and save the State of New Jersey, its officers, agents, servants and employees, harmless from liability of any nature or kind for or on account of the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance of his contract.
- 2.2 **INDEMNIFICATION** - The contractor shall assume all risk of and responsibility for, and agrees to indemnify, defend, and save harmless the State of New Jersey and its employees from and against any and all claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith on account of the loss of life, property or injury or damage to the person, body or property of any person or persons whatsoever, which shall arise from or result directly or indirectly from the work and/or materials supplied under this contract. This indemnification obligation is not limited by, but is in addition to the insurance obligations contained in this agreement.
- 2.3 **INSURANCE** - The contractor shall secure and maintain in force for the term of the contract liability insurance as provided herein. The Contractor shall provide the State with current certificates of insurance for all coverages and renewals thereof, naming the State as an additional insured and which must contain the proviso that the insurance provided in the certificate shall not be canceled for any reason except after thirty days written notice to:

STATE OF NEW JERSEY
Purchase Bureau – Bid Ref. #

The insurance to be provided by the contractor shall be as follows:

- a. a Commercial General Liability policy as broad as the standard coverage forms in use in the State of New Jersey which shall not be circumscribed by any endorsements limiting the breadth of coverage.

The limits of liability for bodily injury and property damage shall not be less than \$1 million per occurrence as a combined single limit.

- b. Automobile liability insurance which shall be written to cover any automobile used by the insured. Limits of liability for bodily injury and property damage shall not be less than \$1 million per occurrence as a combined single limit.
- c. Worker's Compensation Insurance applicable to the laws of the State of New Jersey and Employers Liability Insurance with limits not less than:

\$1,000,000 BODILY INJURY, EACH OCCURRENCE
\$1,000,000 DISEASE EACH EMPLOYEE
\$1,000,000 DISEASE AGGREGATE LIMIT

3. **TERMS GOVERNING ALL PROPOSALS TO NEW JERSEY PURCHASE BUREAU**

- 3.1 **CONTRACT AMOUNT** - The estimated amount of the contract(s), when stated on the Advertised Request for Proposal form, shall not be construed as either the maximum or minimum amount which the State shall be obliged to order as the result of this Request for Proposal or any contract entered into as a result of this Request for Proposal.
- 3.2 **CONTRACT PERIOD AND EXTENSION OPTION** - If, in the opinion of the Director of the Division of Purchase and Property, it is in the best interest of the State to extend a contract entered into as a result of this Request for Proposal, the contractor will be so notified of the Director's Intent at least 30 days prior to the expiration date of the existing contract. The contractor shall have 15 calendar days to respond to the Director's request to extend the contract. If the contractor agrees to the extension, all terms and conditions of the original contract, including price, will be applicable.
- 3.3 **BID AND PERFORMANCE SECURITY**
- a. Bid Security - If bid security is required, such security must be submitted with the bid in the amount listed in the Request for Proposal, see N.J.A.C. 17: 12- 2.4. Acceptable forms of bid security are as follows:

1. A properly executed individual or annual bid bond issued by an insurance or security company authorized to do business in the State of New Jersey, a certified or cashier's check drawn to the order of the Treasurer, State of New Jersey, or an irrevocable letter of credit drawn naming the Treasurer, State of New Jersey as beneficiary issued by a federally insured financial institution.
2. The State will hold all bid security during the evaluation process. As soon as is practicable after the completion of the evaluation, the State will:
 - a. Issue an award notice for those offers accepted by the State;
 - b. Return all bond securities to those who have not been issued an award notice.

All bid security from contractors who have been issued an award notice shall be held until the successful execution of all required contractual documents and bonds (performance bond, insurance, etc. If the contractor fails to execute the required contractual documents and bonds within thirty (30) calendar days after receipt of award notice, the contractor may be found in default and the contract terminated by the State. In case of default, the State reserves all rights inclusive of, but not limited to, the right to purchase material and/or to complete the required work in accordance with the New Jersey Administrative Code and to recover any actual excess costs from the contractor. Collection against the bid security shall be one of the measures available toward the recovery of any excess costs.

- b. Performance Security - If performance security is required, the successful bidder shall furnish performance security in such amount on any award of a term contractor line item purchase, see N.J.A.C. 17: 12- 2.5. Acceptable forms of performance security are as follows:
 1. The contractor shall be required to furnish an irrevocable security in the amount listed in the Request for Proposal payable to the Treasurer, State of New Jersey, binding the contractor to provide faithful performance of the contract.
 2. The performance security shall be in the form of a properly executed individual or annual performance bond issued by an insurance or security company authorized to do business in the State of New Jersey, a certified or cashier's check drawn to the order of the Treasurer, State of New Jersey, or an irrevocable letter of credit drawn naming the Treasurer, State of New Jersey as beneficiary issued by a federally insured financial institution.

The Performance Security must be submitted to the State within 30 days of the effective date of the contract award and cover the period of the contract and any extensions thereof. Failure to submit performance security may result in cancellation of contract for cause pursuant to provision 3.5b,1, and nonpayment for work performed.

- 3.4 **VENDOR RIGHT TO PROTEST - INTENT TO AWARD** - Except in cases of emergency, bidders have the right to protest the Director's proposed award of the contract as announced in the Notice of Intent to Award, see N.J.A.C. 17:12-3.3. Unless otherwise stated, a bidder's protest must be submitted to the Director within 10 working days after receipt of written notification that its bid has not been accepted or that an award of contract has been made. In the public interest, the Director may shorten this protest period, but shall provide at least 48 hours for bidders to respond to a proposed award. In cases of emergency, stated in the record, the Director may waive the appeal period. See N.J.A.C. 17: 12- 3 et seq.

3.5 **TERMINATION OF CONTRACT**

- a. For Convenience

Notwithstanding any provision or language in this contract to the contrary, the Director may terminate at any time, in whole or in part, any contract entered into as a result of this Request for Proposal for the convenience of the State, upon no less than 30 days written notice to the contractor.
- b. For cause:
 1. Where a contractor fails to perform or comply with a contract, and/or fails to comply with the complaints procedure in N.J.A.C. 17: 12-4.2 et seq., the Director may terminate the contract upon 10 days notice to the contractor with an opportunity to respond.
 2. Where a contractor continues to perform a contract poorly as demonstrated by formal complaints, late delivery, poor performance of service, short-shipping etc., so that the Director is repeatedly required to use the complaints procedure in N.J.A.C. 17:12-4.2 et seq. the Director may terminate the contract upon 10 days notice to the contractor with an opportunity to respond.

- c. In cases of emergency the Director may shorten the time periods of notification and may dispense with an opportunity to respond.
 - d. In the event of termination under this section, the contractor will be compensated for work performed in accordance with the contract, up to the date of termination. Such compensation may be subject to adjustments.
- 3.6 COMPLAINTS** - Where a bidder has a history of performance problems as demonstrated by formal complaints and/or contract cancellations for cause pursuant to 3.5b a bidder may be bypassed for this award. See N.J.A.C. 17:12-2.8.
- 3.7 EXTENSION OF CONTRACT QUASI-STATE AGENCIES** - It is understood and agreed that in addition to State Agencies, Quasi-State Agencies may also participate in this contract. Quasi-State Agencies are defined in N.J.S.A. 52:27B-56.1 as any agency, commission, board, authority or other such governmental entity which is established and is allocated to a State department or any bi-state governmental entity of which the State of New Jersey is a member.
- 3.8 EXTENSION OF CONTRACTS TO POLITICAL SUBDIVISIONS, VOLUNTEER FIRE DEPARTMENTS AND FIRST AID SQUADS, AND INDEPENDENT INSTITUTIONS OF HIGHER EDUCATION - N.J.S.A. 52:25-16.1** permits counties, municipalities and school districts to participate in any term contract(s), that may be established as a result of this proposal.
- N.J.S.A. 52:25-16.2 permits volunteer fire departments, volunteer first aid squads and rescue squads to participate in any term contract(s) that may be established as a result of this proposal.
- N.J.S.A. 52:25-16.5 permits independent institutions of higher education to participate in any term contract(s) that may be established as a result of this proposal, provided that each purchase by the Independent Institution of higher education shall have a minimum cost of \$500.
- In order for the State contract to be extended to counties, municipalities, school districts, volunteer fire departments, first aid squads and independent institutions of higher education the bidder must agree to the extension and so state in his bid. proposal. The extension to counties municipalities, school districts, volunteer fire departments, first aid squads and Independent Institutions of higher education must 'be under the same terms and conditions, including price, applicable to the State.
- 3.9 EXTENSIONS OF CONTRACTS TO COUNTY COLLEGES - N.J.S.A. 18A:64A - 25. 9** permits any college to participate in any term contract(s) that may be established as a result of this proposal.
- 3.10 EXTENSIONS OF CONTRACTS TO STATE COLLEGES - N.J.S.A. 18A:64- 60** permits any State College to participate in any term contract(s) that may be established as a result of this proposal.
- 3.11 SUBCONTRACTING OR ASSIGNMENT** - The contract may not be subcontracted or assigned by the contractor, in whole or in part, without the prior written consent of the Director of the Division of Purchase and Property. Such consent, if granted, shall not relieve the contractor of any of his responsibilities under the contract.
- In the event the bidder proposes to subcontract for the services to be performed under .the terms of the contract award, he shall state so in his bid and attach for approval a list of said subcontractors and an Itemization of the products and/or services to be supplied by them.
- Nothing contained in the specifications shall be construed as creating any contractual relationship between any subcontractor and the State.
- 3.12 MERGERS, ACQUISITIONS** - If, subsequent to the award of any contract resulting from this Request for Proposal, the contractor shall merge with or be acquired by another firm, the following documents must be submitted to the Director, Division of Purchase & Property.
- a. Corporate resolutions prepared by the awarded contractor and new entity ratifying acceptance of the original contract, terms, conditions and prices.
 - b. State of New Jersey Bidders Application reflecting all updated information including ownership disclosure, pursuant to provision 1.5.
 - c. Vendor Federal Employer Identification Number.
- The documents must be submitted within thirty (30) days of completion of the merger or acquisition. Failure to do so may result in termination of contract pursuant to provision 3.5b.

If subsequent to the award of any contract resulting from this Request for Proposal, the contractor's partnership or corporation shall dissolve, the Director, Division of Purchase & Property must be so notified. All responsible parties of the dissolved partnership or corporation must submit to the Director in writing, the names of the parties proposed to perform the contract, and the names of the parties to whom payment should be made. No payment should be made until all parties to the dissolved partnership or corporation submit the required documents to the Director.

3.13 PERFORMANCE GUARANTEE OF BIDDER - The bidder hereby certifies that:

- a. The equipment offered is standard new equipment, and is the manufacturer's latest model in production, with parts regularly used for the type of equipment offered; that such parts are all in production and not likely to be discontinued; and that no attachment or part has been substituted or applied contrary to manufacturer's recommendations and standard practice.
- b. All equipment supplied to the State and operated by electrical current is UL listed where applicable.
- c. All new machines are to be guaranteed as fully operational for the period stated in the Request For Proposal from time of written acceptance by the State. The bidder will render prompt service without charge, regardless of geographic location.
- d. Sufficient quantities of parts necessary for proper service to equipment will be maintained at distribution points and service headquarters.
- e. Trained mechanics are regularly employed to make necessary repairs to equipment in the territory from which the service request might emanate within a 48-hour period or within the time accepted as industry practice.
- f. During the warranty period the contractor shall replace immediately any material which is rejected for failure to meet the requirements of the contract.
- g. All services rendered to the State shall be performed in strict and full accordance with the specifications stated in the contract. The contract shall not be considered complete until final approval by the State's using agency is rendered.

3.14 DELIVERY GUARANTEES - Deliveries shall be made at such time and in such quantities as ordered in strict accordance with conditions contained in the Request for Proposal.

The contractor shall be responsible for the delivery of material in first class condition to the State's using agency or the purchaser under this contract and in accordance with good commercial practice.

Items delivered must be strictly in accordance with the Request for Proposal.

In the event delivery of goods or services is not made within the number of days stipulated or under the schedule defined in the Request for Proposal, the using agency may be authorized to obtain the material or service from any available source, the difference in price, if any, to be paid by the contractor failing to meet his commitments.

3.15 DIRECTOR'S RIGHT OF FINAL BID ACCEPTANCE - The Director reserves the right to reject any or all bids, or to award in whole or in part if deemed to be in the best interest of the State to do so. The Director shall have authority to award orders or contracts to the vendor or vendors best meeting all specifications and conditions in accordance with N.J.S.A. 52:34-12. Tie bids will be awarded by the Director in accordance with N.J.A.C.17:12-2.1D.

3.16 BID ACCEPTANCES AND REJECTIONS - The provisions of N.J.A.C. 17:12-2.9, relating to the Director's right, to waive minor elements of non-compliance with bid specifications and N.J.A.C. 17: 12- 2.2 which defines causes for automatic bid rejection, apply to all proposals and bids.

3.17 STATE'S RIGHT TO INSPECT BIDDER'S FACILITIES - The State reserves the right to inspect the bidder's establishment before making an award, for the purposes of ascertaining whether the bidder has the necessary facilities for performing the contract.

The State may also consult with clients of the bidder during the evaluation of bids. Such consultation is intended to assist the State in making a contract award which is most advantageous to the State.

3.18 STATE'S RIGHT TO REQUEST FURTHER INFORMATION - The Director reserves the right to request all information which may assist him or her in making a contract award, including factors necessary to evaluate the bidder's financial capabilities to perform the contract. Further, the Director reserves the right to request a bidder to explain, in detail, how the bid price was determined.

- 3.19 MAINTENANCE OF RECORDS** - The contractor shall maintain records for products and/or services delivered against the contract for a period of three (3) years from the date of final payment. Such records shall be made available to the, State upon request for purposes of conducting an audit or for ascertaining information regarding dollar volume or number of transactions.

4. TERMS RELATING TO PRICE QUOTATION

- 4.1 PRICE FLUCTUATION DURING CONTRACT** - Unless otherwise noted by the State, all prices quoted shall be firm through issuance of contract or purchase order and shall not be subject to increase during the period of the contract.

In the event of a manufacturer's or contractor's price decrease during the contract period, the State shall receive the full benefit of such price reduction on any undelivered purchase order and on any subsequent order placed during the contract period. The Director of Purchase and Property must be notified, in writing, of any price reduction within five (5) days of the effective date.

Failure to report price reductions will result in cancellation of contract for cause, pursuant to provision 3.5b.1.

- 4.2 DELIVERY COSTS** - Unless otherwise noted in the Request for Proposal, all prices for items in bid proposals are to be submitted F.O.B. Destination. Proposals submitted other than F.O.B. Destination may not be considered. Regardless of the method of quoting shipments, the contractor shall assume all costs, liability and responsibility for the delivery of merchandise in good condition to the State's using agency or designated purchaser.

F.O.B. Destination does not cover "spotting" but does include delivery on the receiving platform of the ordering agency at any destination in the State of New Jersey unless otherwise specified. No additional charges will be allowed for any additional transportation costs resulting from partial shipments made at contractor's convenience when a single shipment is ordered. The weights and measures of the State's using agency receiving the shipment shall govern.

- 4.3 C.O.D. TERMS** - C.O.D. terms are not acceptable as part of a bid proposal and will be cause for rejection of a bid.

- 4.4 TAX CHARGES** - The State of New Jersey is exempt from State sales or use taxes and Federal excise taxes. Therefore, price quotations must not include such taxes. The State's Federal Excise Tax Exemption number is 22-75-0050K.

- 4.5 PAYMENT TO VENDORS** - Payment for goods and/or services purchased by the State will only be made against State Payment Vouchers. The State bill form in duplicate together with the original Bill of Lading, express receipt and other related papers must be sent to the consignee on the date of each delivery. Responsibility for payment rests with the using agency which will ascertain that the contractor has performed in a proper and satisfactory manner in accordance with the terms and conditions of the award. Payment will not be made until the using agency has approved payment.

For every contract the term of which spans more than one fiscal year, the State's obligation to make payment beyond the current fiscal year is contingent upon legislative appropriation and availability of funds.

The State of New Jersey now offers State contractors the opportunity to be paid through the MasterCard procurement card (p-card). A contractor's acceptance and a State Agency's use of the p-card, however, is optional. P-card transactions do not require the submission of either a contractor invoice or a State payment voucher. Purchasing transactions utilizing the p-card will usually result in payment to a contractor in three days. A Contractor should take note that there will be a transaction processing fee for each p-card transaction. To participate, a contractor must be capable of accepting MasterCard. For more information, call your bank or any merchant services company.

- 4.6 NEW JERSEY PROMPT PAYMENT ACT** - The New Jersey Prompt Payment Act N.J.S.A. 52:32-32 et seq. requires state agencies to pay for goods and services within sixty (60) days of the agency's receipt of a properly executed State Payment Voucher or within sixty (60) days of receipt and acceptance of goods and services, whichever is later. Properly executed performance security, when required, must be received by the state prior to processing any payments for goods and services accepted by state agencies. Interest will be paid on delinquent accounts at a rate established by the State Treasurer. Interest will not be paid until it exceeds \$5.00 per properly executed invoice.

Cash discounts and other payment terms included as part of the original agreement are not affected by the Prompt Payment Act.

- 4.7 RECIPROCITY** - In accordance with N.J.S.A. 52:32-1.4 and N.J.A.C. 17: 12- 2. 13, the State of New Jersey will invoke reciprocal action against an out-of-State bidder whose state or locality maintains a preference practice for their bidders.

5. **CASH DISCOUNTS** - Bidders are encouraged to offer cash discounts based on expedited payment by the State. The State will make efforts to take advantage of discounts, but discounts will not be considered in determining the lowest bid.

- a. Discount periods shall be calculated starting from the next business day after the recipient has accepted the goods or services received a properly signed and executed State Payment Voucher form and, when required, a properly executed performance security, whichever is latest.
- b. The date on the check issued by the State in payment of that Voucher shall be deemed the date of the State's response to that Voucher.

6. **STANDARDS PROHIBITING CONFLICTS OF INTEREST** - The following prohibitions on vendor activities shall apply to all contracts or purchase agreements made with the State of New Jersey, pursuant to Executive Order No. 189 (1988).

- a. No vendor shall pay, offer to pay, or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any State officer or employee or special State officer or employee, as defined by N.J.S.A. 52:13D-13b and e., in the Department of the Treasury or any other agency with which such vendor transacts or offers or proposes to transact business, or to any member of the immediate family, as defined by N.J.S.A. 52:13D-13i., of any such officer or employee, or partnership, firm or corporation with which they are employed or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A. 52:13D-13g.
- b. The solicitation of any fee, commission, compensation, gift, gratuity or other thing of value by any State officer or employee or special State officer or employee from any State vendor shall be reported in writing forthwith by the vendor to the Attorney General and the Executive Commission on Ethical Standards.
- c. No vendor may, directly or indirectly, undertake any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such vendor to, any State officer or employee or special State officer or employee or special State officer or employee having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to any State agency or any instrumentality thereof, or with any person, firm or entity with which he is employed or associated or in which he has an interest within the meaning of N.J.S.A. 52:130-13g. Any relationships subject to this provision shall be reported in writing forthwith to the Executive Commission on Ethical Standards, which may grant a waiver of this restriction upon application of the State officer or employee or special State officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest.
- d. No vendor shall influence, or attempt to influence or cause to be influenced, any State officer or employee or special State officer or employee in his official capacity in any manner which might tend to impair the objectivity or independence of judgment of said officer or employee.
- e. No vendor shall cause or influence, or attempt to cause or influence, any State officer or employee or special State officer or employee to use, or attempt to use, his official position to secure unwarranted privileges or advantages for the vendor or any other person.
- f. The provisions cited above in paragraph 6a through 6e shall not be construed to prohibit a State officer or employee or Special State officer or employee from receiving gifts from or contracting with vendors under the same terms and conditions as are offered or made available to members of the general public subject to any guidelines the Executive Commission on Ethical Standards may promulgate under paragraph 6c.

7. **NOTICE TO ALL BIDDERS SET-OFF FOR STATE TAX NOTICE**

Please be advised that, pursuant to P.L. 1995, c. 159, effective January 1, 1996, and notwithstanding any provision of the law to the contrary, whenever any taxpayer, partnership or S corporation under contract to provide goods or services or construction projects to the State of New Jersey or its agencies or instrumentalities, including the legislative and judicial branches of State government, is entitled to payment for those goods or services at the same time a taxpayer, partner or shareholder of that entity is indebted for any State tax, the Director of the Division of Taxation shall seek to set off that taxpayer's or shareholder's share of the payment due the taxpayer, partnership, or S corporation. The amount set off shall not allow for the deduction of any expenses or other deductions which might be attributable to the taxpayer, partner or shareholder subject to set-off under this act.

The Director of the Division of Taxation shall give notice to the set-off to the taxpayer and provide an opportunity for a hearing within 30 days of such notice under the procedures for protests established under R.S. 54:49-18. No requests for conference, protest, or subsequent appeal to the Tax Court from any protest under this section shall stay the collection of the indebtedness. Interest that may be payable by the State, pursuant to P.L. 1987, c.184 (c.52:32-32 et seq.), to the taxpayer shall be stayed.

APPENDIX 2 SUMMARY OF RECENT MARKET ASSESSMENTS/BASELINE STUDIES

Each of the studies identified below are available on the following web-site:

http://njcleanenergy.com/html/5library/nj_baseline_studies.html

A. Commercial/Industrial Chiller Market Database

Prepared for: Public Service Electric & Gas, NJ

Prepared by: Pacific Energy Associates, Inc.

Date: September 2000

Description:

This report describes the development and potential uses of the Commercial/Industrial (C/I) Chiller Market Database for Public Service Electric & Gas of New Jersey (PSE&G), performed by Pacific Energy Associates, Inc. (PEA).

Objectives:

The goal of this project was to develop and characterize a detailed list of chillers (greater than 100 tons) in PSE&G's service territory. This database provides a means to directly target customers with specific needs for improvements or upgrades to their chiller systems. PSE&G can talk directly to these customers with a pitch for chiller efficiency minus a broad base need for program marketing or lead generation.

Major Findings/Recommendations:

This study accomplished its objective of creating a C/I chiller market database. It recommended potential uses of this database including:

1. Direct contact of customers with older chiller to market chiller replacement program;
2. Use contacts to market other efficiency programs;
3. Undertake further refining of this database to identify specific industry or building types with significant older chillers and market the chiller replacement program through a contractor with industry-specific expertise.

B. Northeast Premium Motor Initiative (NPMI) – Market Baseline & Transformation Assessment
Prepared for: NPMI Sponsoring Utilities
Prepared by: Easton Consultants, Inc. & Xenergy, Inc.
Date: August 1999

Description:

This report is an assessment of the motors market¹ in the New England states plus NJ & NY and also assesses the impact of NPMI, launched in January 1998, on this market.

Objectives:

For sponsoring utilities to gain a better understanding of the region's motors market and also on how to structure NPMI to yield a lasting market transformation.

Major Findings:

Findings include:

The New England market has been transformed to one with higher purchase levels of premium motors; this is not the case with the NJ & NY markets;

A larger percentage of motor distributors in New England market are in value-added category who promote premium efficiency motors;

The rebate \$s, through NPMI, have a small impact on the purchase decision; only about 20 to 22% of qualified motors are issued rebates;

The NPMI, through its outreach components to both end-uses and distributors, has made a critical impact on the motor market.

Recommendations:

Recommendations include:

Focus on shifting motor rewinds to new premium motor purchase will yield significant energy savings (about 402 GWh per year²);

Focus on two critical nodes – critical user decision & critical vendor decision - in the decision making process to transform the market from standard to premium motors;

In addition to energy-savings, promote issues that factor into end-users' decision making process;

In addition to purchase on premium motors, promote an adoption of a "model motor purchase policy" at the corporate level;

Help distributors to position themselves as value-added motor distributors.

¹ This study is focused on non-OEM (original equipment manufacturer) motors – motors sold to end-users through distributors and contractors.

² Converting all rewinds to new premium motor purchase in the New England states plus NJ & NY.

C. Motor Baseline Study

Prepared for: Public Service Electric & Gas (PSE&G)

Prepared by: Easton Consultants, Inc.

Date: September 1996

Description:

This baseline study is an assessment of the motors market in the PSE&G's service territory. This study is focused on non-OEM motors - motors sold to end-users through distributors and contractors.

Objectives:

Inform the design of a motors rebate pilot program for PSE&G.

Major Findings:

Findings include:

Ninety percent of all motors sold in the service territory are 20 hp and under;

13 to 15% of all motors sold are high efficiency – this is slightly above the national average but well below the northeast region;

The 7.5 to 20 hp range has lowest penetration of energy efficient motors;

Above 50 hp range, most motors are already premium efficiency;

The process industry accounts for a large share of all motors sold in the service territory. It is feasible for PSE&G to directly work with these end users;

About ten (10) distributors account for half of all motors sold in the service territory.

Recommendations:

Recommendations include:

Consider Consortium for Energy Efficiency's motor efficiency levels as threshold levels under the rebate pilot program;

No need to segment the rebate pilot program by motor speed or enclosure types;

To improve the effectiveness of its pilot program, PSE&G should consider coordinating with other NJ utilities and regional initiatives.

D. New Jersey Statewide Market Assessment
Prepared for: New Jersey Utilities Working Group
Prepared by: Xenergy Inc.
Date: August 1999

Description:

This study is a market potential assessment of energy efficiency and Class 1 renewable energy in the state of New Jersey.

Objectives:

To characterize and rank potential energy efficiency- and renewable energy-measures, technologies, and program concepts using multiple-attribute approach³⁴.

Major Findings/Recommendations:

This study accomplished its objectives of assessing market potential for energy efficiency and Class I renewable energy in the state of New Jersey.

Energy Efficiency Analysis:

This study has identified and ranked (based on a weighted scale of 1 to 100) energy efficiency measures/program concepts for the markets:

Residential – Existing & New Construction (6 electric measures/program concepts);

Residential – 3 gas measures/program concepts;

Residential Low Income – Existing & New Construction (6 electric measures/program concepts);

Residential Low Income – 3 gas measures/program concepts;

Commercial – Existing (6 electric measures/program concepts);

Commercial – Renovation & New Construction (7 electric measures/program concepts);

Commercial – 3 gas measures/program concepts;

Industrial – 7 electric measures/program concepts;

Industrial – 3 gas measures/program concepts.

Renewable Energy Analysis:

This study has identified and ranked (based on a weighted scale of 1 to 5) the following renewable resource opportunities:

Renewable Distributed Generation (Customer Sited):

Solar PV Installation – 2.7 (Low);

Fuel Cells: Residential – 3.0 (Moderate);

Fuel Cells: C/I (>50 kW) – 3.8 (High).

Green Power Supply:

Wind Power (>500 kW) – 3.1 (Moderate);

Biomass Power – 3.6 (High);

Landfill Gas Power – 3.4 (Moderated).

Advanced & Other Renewable Supply:

³ For energy efficiency market assessment, the following four (4) attributes were used in assessing and ranking potential measures, technologies, and program concepts - Market Potential, Cost of Saved Energy, Need for Program, & Likelihood of Success.

⁴ For renewable energy market assessment, the following five (5) criteria were used in assessing and ranking potential measures, technologies, and program concepts – Short Term Market Potential, Mid Term Market Potential, Cost Competitiveness or Affordability of Power Generation, Need for Program Support to Overcome Market Barriers, & Likelihood of Success.

Tidal Power – 2.4 (Low);
Wave Power – 2.5 (Low).

E. Commercial Energy Efficient Construction Baseline Study
Prepared for: New Jersey Electric & Gas Utilities
Prepared by: RLW Analytics, Inc.
Date: January 2000

Description:

This is a baseline study of Commercial Energy Efficient Construction practices in the state of New Jersey. This baseline study has three (3) distinct tasks:

Task 1 – An on-site survey/audit of 96 new construction/renovation⁵ projects. Data collection focused on building envelope components; lighting equipment, design, & controls; and HVAC equipment, distribution systems and controls.

Task 2 – A total of 33 in-depth telephone interviews with decision-makers/designers of new construction/renovation projects.

Task 3 – This component of the study focuses on commercial remodeling⁶ projects as opposed to new construction/renovation projects. A total of 75 interview - 25 on-site and 50 phone interviews - with distributors and contractors of lighting and HVAC equipment.

Objectives:

Task 1 – Assess standard market practices for equipment specification and building/facility design in new commercial construction and renovation projects in New Jersey that will be the target of utility energy efficiency programs.

Task 2 – To develop an up-to-date picture of the decision-making process regarding energy aspects of new construction/renovation projects.

Task 3 – To better understand the types of lighting and package HVAC equipment being sold, the dominant sales channels, and the decision making process.

Major Findings:

Task 1:

Findings under this task are grouped under three (3) major headings:

Building Envelope;

Lighting Equipment/Design/Controls;

HVAC Equipment/Design/Controls.

Building Envelope:

Concrete V block, Face Brick & Concrete and Metal frames were the most common type of wall construction;

Over 31% of buildings had no wall insulation. R-11 was most dominant;

About 24% of the new construction roofs had no insulation. R-20 was the most common in new construction and R-19 in renovation projects;

Nearly 40% of all new windows were tinted;

Over 50% of the windows in new construction were thermally broken metal frame windows;

⁵ Renovation projects were considered those that incorporated a major change to a building, usually entailing its complete rehabilitation and comprehensive changes to two or more of the building's systems (e.g., HVAC & lighting).

⁶ Lighting remodeling projects refer to the replacement of lighting fixtures, or changes in lighting layout, which occur as a part of appearance-oriented remodels.

About 88% of the new windows used blinds for interior shades.

Lighting Equipment/Design/Controls:

About 69% of new construction projects do not incorporate passive solar or day-lighting;
About 89% of the projects do not have any lighting control strategies;
About 80% plus of the projects incorporated Standard White reflectors;
About 70% of new construction projects & about 99% of renovation projects installed T8's;
About 68% of new construction projects & 58% of renovation projects installed CFL's;
About 89% of new construction lighting was direct with 3% indirect;
About 96% of renovation lighting was direct with no indirect lighting;
About 81% of new construction projects were under manual control, and 15% under EMS control;
About 98% of renovation projects were under manual control and 0% under EMS control.

HVAC Equipment/Design/Controls:

About 88% of new construction and 54% of renovation projects reported using package HVAC;
About 69% of new construction & 66% of renovation projects reported having constant volume air distribution systems;
About 56% project sites reported not having an EMS system; about 21% of installed units in renovation projects and about 58% of installed units in new construction projects had a dedicated HVAC EMS system;
About 53% of installed units in renovation projects and about 24% of installed units in new construction projects were on thermostat control;
Overall, the average cooling capacity of installed units in 7.6 tons with efficiency of 11.2 EER.

Task 2:

Some of the findings include:

There were three (3) major types of decision-making models – collaborative, linear and centralized;
The collaborative model is the most common model;
Under all models, engineers have more influence over lighting and HVAC decisions, and architects have more influence over building envelope;
Under all models, the developer was most commonly the strongest decision-maker or final authority;
Consensus among engineers was that a high efficiency alternative was presented based on project schedule, budget and client's request;
Among architects, about 50% typically not recommend energy efficiency, 36% recommend energy efficiency as budgets allow and only 14% always recommend energy efficiency alternatives;
Most developers are dictated by their desire to keep up-front costs down and energy efficiency often ranks at the bottom of decision making criteria;
Most respondent (i.e., architects, engineers, & developers) agree that there is little tenant demand for efficient equipment; without this tenant demand, there are significant barriers to adoption of efficient equipment in rental buildings.

Task 3:

Findings under this task are grouped under two (2) major headings:

HVAC Equipment;

Lighting.

HVAC Equipment:

Although customers are key decision-maker, contractors are the key players as suppliers typically work through contractors and not end-users;
Much of the HVAC equipment replacement market is due to failed equipment;

HVAC contractors indicate that few customers (about 10%) request a specific efficiency and alternative efficiencies are not considered;
Equipment availability is an issue; about third of contractors that routinely proposed high efficiency equipment stated that their suppliers did not stock this equipment;
Many contractors support licensing of HVAC professionals;
Many respondents mentioned high first cost as the top barrier.

Lighting:

Overall, the lighting market is in better shape in terms of efficiency than is the HVAC market;
T8 fixtures with electronic ballasts dominate the market, as do compact fluorescent lamps (CFLs);
Decision making process is more sophisticated and allows more time for planning as compared to the emergency replacements common for HVAC equipment;
In contrast to their HVAC counterparts, lighting suppliers work with end users as well as lighting contractors;
Most lighting suppliers and contractors (about 75% of the respondent) state that lighting bids generally state the desired efficiency.

Recommendations:

Task 1:

Use the findings under this task to establish the base efficiency level for further efficiency measures to be promoted through market based energy efficiency programs offered by New Jersey utilities.

Task 2:

Some of the recommendations include:
Utilities, through public campaign (e.g., training, seminars, case studies), should build end-user demand for energy efficiency;
Given limited focus on efficiency as a decision factor, financial incentives (e.g., rebates, subsidies, investment tax credits, etc.) are needed to promote efficiency in new construction and renovation markets;
Utilities need to work through the political process to get building codes changed and investment credit enacted;
It is important for utilities to get involved in the early design stages of a project.

Task 3:

Recommendations under this task are grouped under two (2) major headings:

HVAC Equipment;

Lighting.

HVAC Equipment:

Through education of both groups – contractors and customers – increase awareness and demand for high efficiency equipment among both groups;
A utility push for state licensing of contractors or support of training programs may be an appropriate approach to contractor education;
Work with both manufacturers and suppliers to ensure that efficient equipment is available and stocked in the state;
Financial incentives will be critical to achieving significant market penetration of efficient HVAC equipment.

Lighting:

Work with manufacturers to make T8 w/electronic ballast fixtures a standard design practice and to promote the next generation of T5 fixtures;

Outreach to architects, electrical engineers, and customers is critical, as these are key players in the design and decision-making process;

Outreach to contractors not installing lighting controls will yield further energy savings;

Given the continued mention of high first cost as a barrier, financial incentives should be considered for lighting controls and T5 fixtures.

F. Commercial & Industrial O&M Market Segment Baseline Study

Prepared for: Northeast/New Jersey Utility Consortium⁷

Prepared by: RLW Analytics, Inc.

Date: July 1999

Description:

This study is a market assessment of the Operation & Maintenance (O&M) practices focused on three (3) segments –Office, Health Care & Manufacturing facilities - in the four (4) northeastern states – Massachusetts, Rhode Island, Connecticut, & New Jersey.

Objectives:

The goals are as follows:

Identify target segments and related barriers;

Within these target segments, assess baseline O&M practice by end use type;

Within these target segments, identify measure opportunities;

Recommend overall program marketing and design strategies to overcome key barriers.

Major Findings:

The findings are grouped as follows –

Market Segmentation;

Measures, Baseline Practice and Savings Potential;

Barriers and Organizational Culture; and

O&M Services.

Market Segmentations:

Five (5) O&M clusters were identified through cluster segmentation analysis (see Table Ex-1)

Cluster	Interest in O&M	Description
O&M Expert	Very Concerned	Has staff and technical know-how to implement O&M. Rate themselves highly in O&M performance. Most complex end-uses.
O&M Proficient	Concerned	Big users concerned about O&M. They rate themselves highest in O&M performance, but are not as well equipped to do it as the O&M Experts.
Interested Amateurs	Interested	Exert some effort tracking energy costs, but not as well equipped as the O&M Proficient to perform extensive O&M. Receptive to utility programs.
Passive Underachievers	Somewhat interested	Low energy use intensity & self-assessment of O&M. Greatest tendency to outsource O&M. Unreceptive to utility programs.
Run it 'til it breaks	Uninterested	Not at all receptive to utility programs. Least complex end-uses.

Table Ex-1: Description of Cluster Analysis Segments

NJ has the highest relative proportion of O&M Proficient customers, while CT has the most O&M Experts;

In NJ & CT, the two (2) top categories represented over 80% and 60% of electrical energy consumption respectively;

Health Care segment has highest representation of two (2) top categories – 56% compared to 36% and 29% for Manufacturing and Office segments respectively;

The last cluster – Run it 'til it Breaks – tends to be renters while the first two (2) clusters – O&M Experts and O&M Proficient – are generally owners.

Measures, Baseline Practice and Savings Potential:

⁷ The eight (8) sponsoring utilities were – Boston Edison, Boston Gas, Commonwealth Energy, Eastern Utilities Associates, New England Electric, Northeast Utilities, Public Service Electric & Gas, and UNITIL.

Diversity of end-uses increased with the level of O&M performance, e.g., O&M Experts had the most end-uses per customer;

O&M Experts were more likely to have chillers (54%), boilers (35%) and EMS as major end-uses; Process motors were most common for the Passive Underachievers (13%), followed by the O&M Proficient (10%);

Chiller users are among the most sophisticated customers, most likely to perform both routine and predictive maintenance, and more likely to have full time maintenance staff, with an average of 6 and a median of 3 staff;

Unitary/Packaged HVAC equipment are more likely to be controlled manually (27% for Health Care, 46% for Manufacturing, 38% for Office) or by programmable thermostat (47% for Health Care, 26% for Manufacturing, 15% of Office), rather than through an EMS;

The estimated technical savings potential – total feasible energy savings for O&M improvements should all practical measures be implemented – across all sponsoring utilities' service territories – 484 GWh for Health Care, 1,293 GWh for Offices, & 3,900 GWh for Manufacturing customers.

Barriers and Organizational Culture:

Health Care facilities are most focused on O&M, recognize a need for facility staff, have written standards and O&M budgets;

Manufacturing & Office customers do not see staffing needs and have no O&M budgets;

View O&M as very important – 71% of Health Care, 40% of Manufacturing, and 53% of Office facility managers;

Tracking energy costs – 77% of Manufacturing, 67% of Health Care, and 63% of Office customers;

About 75% of customers reported that they offer no incentives to staff to perform more effective O&M.

O&M Services:

This study identified five (5) potential O&M Services (see Table Ex-6)

Cluster	Technical Information/ Assistance⁸	Performance Contracting	Contractor Selection	Energy Manager⁹	Training
O&M Expert	76%	67%	70%	34%	83%
O&M Proficient	75%	66%	70%	33%	71%
Interested Amateurs	73%	64%	54%	22%	58%
Passive Underachievers	74%	63%	74%	24%	64%
Run it 'til it Breaks	9%	10%	23%	2%	6%
Total	67%	59%	62%	25%	61%

Table Ex-6: Potential O&M Services by Cluster

Recommendations:

This study recommends a combination of O&M Services under a menu of options. The following factors should be considered in developing O&M programs and marketing of services:

Marketing – In marketing O&M programs and services, focus on issues critical to each customer segment; e.g., for manufacturers, focus on lowering the costs per unit of production and on competitive benchmarking;

Targeting Clusters – Use the clusters developed in this study to develop target and focused services to meet the need of diverse customer groups;

Barriers and Strategies - Identify barriers and propose strategies to overcome these barriers; e.g., one of the barriers is the “lack of incentive for good O&M. This is true for all clusters. A potential strategy could be “developing educational materials focused on company management”;

Information – Customers need information and evidence on savings upon which to base their decision. Information could be provided through Case Studies or Technical Briefs;

Site Specific Analysis – This provides clear information to customers on which to base decisions. However, this is one of the weaker options for program targeting sustainable change;

Technology-Focused Efforts – Services focused on particular technologies and end uses may be effective; e.g., for manufacturing segment, services could focus on compressed air;

Control Applications – For clusters that have high proportion of manual controls, offer rebates for control measure installation; for segments with high proportion of EMS, offer “Re-Commissioning” as one of the elements of the O&M Program;

Contractor-Based Programs – Target contractors as well as customers to integrate efficiency into O&M contracts; one approach would be to provide marketing support to contractors through a regional program;

Training and Certification – Offer a range of training & certification; e.g., for O&M Experts, offer higher level training on testing and re-commissioning; for Passive Underachievers, offer training on tracking and controlling energy costs.

⁸ A Technical Information/Measure Assistance Program implies that utility would financially assist or oversee the implementation of measures with a customer.

⁹ An Energy Manager Program is typically defined as a program in which a utility company provides funding, a salary guarantee, or availability of utility personnel on-site to increase customer staffing levels for efficient O&M.

G. The Market for Operations and Maintenance Training in New Jersey
Prepared for: Public Service Electric & Gas and Conectiv Power Delivery
Prepared by: Pacific Energy Associates, Inc.
Date: May 2000

Description:

This study is an overall market assessment of operation and maintenance practices focused on three segments – Commercial Offices, School Districts, and State Buildings – in the state of NJ. This study also includes limited information on industrial customers.

Objectives:

The objectives include:

Provide information that would assist in choosing a direction for utility efforts in NJ to support training for efficient building O&M;

Evaluate whether support for training could help increase the efficiency of O&M in NJ.

Major Findings:

The major findings are grouped by building types:

Commercial Offices –

O&M training needs of office managers vary widely, based on – scale of operation, ownership & occupant types, and culture and organization of each firm;

Large property management firms – these are difficult to address; these firms may need to better understand the benefits of O&M before they are candidates for more training; some may need to reorganize staff and contracting to focus on O&M;

Medium-size property management firms are, in the short-term, more likely target for O&M training; Small, locally owned offices may be the least likely to focus on O&M.

Schools –

There is significant interest in further staff training and in developing materials to promote efficient O&M and training to school administrations & boards;

The primary target for training is the lead O&M technician;

Also identified a need to train Buildings & Ground manager on how to plan, staff, and manage effective O&M practices.

State Buildings –

“In spite of dire needs, state buildings currently provide a very difficult market for O&M training or certification”;

“Both personnel policies and budgeting systems strongly discourage good O&M practices on the part of state agencies”.

Recommendations:

Recommendations are also grouped by building types:

Commercial Offices -

Help customers with energy accounting and benchmarking;

Develop case studies showing bottom-line benefits and management strategies for good O&M.

Schools -

Utilities can help improve existing training programs for Buildings & Ground managers.

State Agencies -

In the short-term, utilities could offer following key assistance – help with understanding bills and tracking energy loads, tune-up of complex systems, on-site engineering services, and rebates and other financial incentives;

In the long run, help with basic HVAC and boiler certification will be useful, also “extended (training) classes with certification might be useful once the motivational system is fixed”.

Industrial Customers –

For small industrial customers – present case studies to demonstrate the economic benefits of O&M, provide training videos focusing on trouble shooting and efficiency issues for specific classes of equipment, e.g., compressed air systems, and offer on-site audits;

For large industrial customers – offer specialized seminars on specific technical issues, particularly for staff and contractors who work on complex control systems.

H. Compressed Air Systems Market Assessment in PSE&G's Service Territory
Prepared for: Public Service Electric & Gas Company
Prepared by: Aspen Systems Corp.
Date: May 2001

Description:

This market assessment:

Characterizes PSE&G's industrial end-user market regarding compressed air-equipment, usage, and management capability;

Describes the market structure and delivery systems, including market barriers;

Establishes a baseline and metrics that describe current market and end-user practices related to compressed air system efficiency; and

Suggests possible strategies for overcoming barriers, achieving energy savings, and market transformation.

Objectives:

The objectives are:

To determine how well the market supports PSE&G's industrial customers with system-wide compressed air efficiency services;

To lay the foundation of PSE&G to develop strategies to improve the efficiency of industrial compressed air systems in the region.

Major Findings:

Major findings are grouped under two (2) major headings:

Compressed air system end-users;

Compressed air system market structure and delivery systems.

Compressed air system end-users -

PSE&G has a total of 1508 industrial customers, of which 326 are estimated to have at least 100 hp of non-back-up air compressors;

PSE&G industrial customers spend about \$35M per year on compressed air;

These larger customers – 21% of all industrial customers - operate about 68% of the total compressor load;

Estimated utility bill savings potential among these customers - \$23K per year per customers;

Facility managers at these customers rank compressed air management at 13th on their list of priorities;

These customers have a reasonably good understanding of their compressed air costs including energy waste in their compressed air systems;

These customers perform moderate level of operations and maintenance on their own to reduce compressed air costs, however their efforts are not systematic.

Compressed air system market structure and delivery systems –

Suppliers can be distinctly split into two groups: suppliers that understand the importance of system-wide compressed air management, and suppliers that focus on traditional needs such as replacing compressors;

During early market transformation efforts, larger suppliers – those focused on providing system-wide optimization services – are more likely to be receptive to utility sponsored outreach efforts.

Recommendations:

The major recommendations are also grouped under two (2) primary points for early program development:

Customer Training –

Customer training is needed to foster demand for system-wide compressed air efficiency services; Training content needs to go beyond compressed air basics and emphasize savings opportunities; Group seminars would be the most cost-effective medium for customer training; Consider technical topic videos – these are also likely to attract smaller manufacturers.

Support of vendors that promote system-wide optimization –

The program support should focus on helping capable and experienced vendors deliver system-wide efficiency services;

Specific support that would be beneficial to these vendors includes – case studies with demonstration before-after power metering; training of customers led by these vendors; and training of these vendors by subject matter experts from other part of the country.

I. Appliance and Windows Baseline Studies

Prepared for: NJ Utilities Collaborative – Residential Working Group

Prepared by: RLW Analytics, Inc.

Date: March 2001

Description:

This study is a market assessment of - a) baselines for residential appliances – residential refrigerators, room air conditioners, dishwashers, and clothes washers, and b) baselines for residential windows market – differentiating between new and existing homes.

Objectives:

The objectives are:

To establish the baseline for the following ENERGY STAR® metrics -

Market share for ENERGY STAR® appliance and windows;

General awareness of ENERGY STAR® among consumers and dealers;

Consumer awareness of benefits of ENERGY STAR®;

Involvement of dealers in the ENERGY STAR® program and in promoting energy efficiency in general, and;

Manufacturer level of production of ENERGY STAR® products.

To improve the program design through a better understanding of how the market and key market actors operate and what the most important barriers and opportunities are in this market.

Major Findings:

This study uncovered several barriers to the adoption of ENERGY STAR® windows and appliances.

In the ENERGY STAR® windows market, this study identified the following significant barriers:

A low customer knowledge of the availability and advantages of ENERGY STAR® windows (as reported by dealers and contractors);

A low level of ENERGY STAR® window awareness and influence among contractors and consumers;

A lack of ENERGY STAR® window labeling among manufacturers, approximately 65% of E windows were labeled;

A high incremental cost of an ENERGY STAR® window versus a standard window. The average statewide incremental cost is \$92/unit, or approximately 45% greater; and

Dealer employees not being fully aware of ENERGY STAR® window products.

Similarly, in the ENERGY STAR® Appliances market, this study identified the following barriers:

A small portion of manufacturer models were ENERGY STAR® compliant, although it meets the demand for ENERGY STAR® products;

A low level of ENERGY STAR® marketing activity by salespeople and dealers;

A low level of ENERGY STAR® awareness among contractors and homeowners;

The specification of ENERGY STAR® appliances very low among builders and remodelers;

A high incremental cost of ENERGY STAR® versus standard appliances, mainly for refrigerators, clothes washers and dishwashers.

Recommendations:

This study recommends number of program stimulus to overcome identified barriers and to improve the program design.

ENERGY STAR® Windows:

Education and marketing activities to inform customers of the ENERGY STAR® option, of performance advantages over standard products, and how to shop for ENERGY STAR® windows;
Develop and establish relationship with manufacturers to encourage them to register and apply ENERGY STAR® label to products prior to shipment;
Consider some financing alternatives that mitigate the first cost (and incremental cost difference) obstacle;
Sales training on how to sell energy-efficient and ENERGY STAR® windows for retailers stocking these products.

ENERGY STAR® Appliances:

Manufacturer outreach to encourage the development of energy-efficient products and support for ENERGY STAR® branding of appliances;
Provide point-of-sale materials and marketing, including in-store demonstration;
Education and marketing activities to inform customers and contractors of the ENERGY STAR® alternatives;
A financing alternative that mitigate the first cost (and incremental cost difference) obstacle;
Target marketing and outreach to different market actors to teach advantages and benefits of specifying ENERGY STAR® appliances.

J. New Jersey Residential HVAC Baseline Study
Prepared for: NJ Residential HVAC Working Group
Prepared by: XENERGY, Inc.
Date: November 2001

Description:

This baseline study incorporates two main research elements. First, a market assessment based on surveys of the four (4) market groups that comprise the HVAC supply chain – manufacturers, distributors, dealers and customers. Second, a technical assessment of installed HVAC equipment characteristics and performance. This study presents –

Findings on the size and structure of the residential HVAC market;

Provides insight into HVAC product performance and reliability; and

Identifies barriers to adoption of energy-efficient HVAC equipment and installation practices.

Objectives:

The study's three (3) main objectives are:

Develop information on how the NJ market for residential HVAC equipment functions;

On the supply side of the market – identify key market actors and characterize barriers to the promotion of efficient equipment and installation practices, and characterize supply-side actors' motivation to promote and install efficient equipment;

On the demand side of the market – identify key customer segments and estimate their size, and characterize the barriers customers face to purchasing efficient equipment and installation services.

Major Findings/Key Conclusions:

Major findings are grouped under the following headings –

Customers – Market size and segmentation

Contractors – Market size and segmentation

Market share of energy-efficient equipment and installation practices

Contractor practices – Promotion of energy-efficient equipment

Contractor practices – Sizing and other installation practices

Barriers to broader adoption of energy-efficient equipment and practices

Utility program awareness and effects

Estimated HVAC energy savings potential.

Based on the above major findings, this study draws the following key conclusions –

Contractors are clearly the gatekeepers to the residential HVAC equipment market;

Currently, contractors are making only modest efforts to sell high-efficiency equipment and to improve installation practices;

Many contractors are not convinced that high-efficiency equipment provides significant benefits to customers, or that promotion of high-efficiency equipment is a high priority for business success;

The largest contractors that service about 28% of the market tend to already be enrolled in the utility sponsored programs, especially for electric utilities;

Results of the on-site visits clearly show that the greatest potential to save energy is through reduction of duct leakage to outdoors and refrigerant charge corrections;

System sizing, airflow correction, and duct insulation did not show significant savings from on-site visits;

The energy savings possible from use of high-efficiency equipment may not be fully realized unless contractors and customers work together to ensure proper implementation of all feasible efficiency measures.

Recommendations:

Based on the above major findings and key conclusions, this study makes the following recommendations with regard to further development of the Residential HVAC Programs:

Strengthen contractor motives to sell high efficiency equipment and adopt best installation practices.

Two strategies to pursue include – Recognition program and Financial incentives;

Help contractors reduce the cost of sales of energy-efficient equipment. To achieve this goal, provide the following supports – Training to contractors, Financial scenario software, A checklist of best practices in sizing and installation, and Case studies featuring local houses;

Offer training in proper duct installation;

Maximize marketing efforts by combining high efficiency gas and electric programs;

Support whole building approaches to energy efficiency improvement to ensure potential gains are realized.

K. Baseline Study of the New Jersey Residential Lighting Market
Prepared for: NEEP & PSE&G, JCP&L, and Conectiv Power Delivery
Prepared by: Opinion Dynamics Corp. & Regional Economic Research
Date: November 1999

Description:

This is a baseline study of the residential lighting markets in the state of NJ. Three (3) major elements of this study include:

Quantifies consumers' knowledge, use, and perceptions of the benefits of energy-saving lighting, including both CFLs and fixtures;

Explores lighting related decision making in the new construction market;

Quantifies retailers' knowledge of and perceptions of the benefits of energy-savings lighting, including both CFLs and fixtures, their perception of what consumers think, and their stocking practices.

Objectives:

The overall objective of this study is to identify the drivers and barriers for the residential lighting market in NJ.

Major Findings:

Findings are grouped under two (2) major headings:

The CFL Bulb Market

The Fixture Market

Some of the major findings include:

CFL bulbs are not widely available in retail outlets in NJ. In-store surveys of NJ retailers found less than 2% of total bulb shelf space is allocated to CFL bulbs;

Consumer definitions of "energy-savings" light bulb vary widely. Over half (53%) of consumers claim they use energy-savings light bulbs, but only 11% have a CFL bulb currently installed;

CFL fixtures are not routinely specified in newly constructed homes. Builders usually do not consider installing them unless consumers make a specific request;

Most builders are unwilling to specify energy-savings fixtures in new construction if doing so cost more money or requires additional efforts;

Builders often install a basic "package" of lighting fixtures based on meeting minimal lighting requirements;

Attributes related to energy-savings – such as energy-efficiency and electricity cost over the lifetime of the fixtures – these attributes are not as important to the general population;

Manufacturers say that utility-sponsored programs have been effective in introducing energy-savings lighting products to the marketplace, but support is artificial – once rebates are withdrawn, demand stops;

Few retailers (19%) train staff about the benefits of energy-efficient lighting;

Only 14% of retailers say they receive advertising allowances from manufacturers to promote energy-saving lighting products and 9% say distributors have provided similar allowances.

Recommendations:

Recommendations include:

The marketing of CFLs must speak to the factors that consumers value – meet functional needs, have a reasonable lifetime, and safety of operation;

Efforts of market transformation programs should be focused in the replacement market in NJ;

Placing energy-saving fixtures in model homes of tract housing developments may present a unique opportunity for builders to specify energy-saving CFL lighting;

For a utility sponsored program to be successful with builders, it must be easy for builders to participate and provide tangible benefits – i.e., the program must not require builders to assume risk (time and money) without providing real benefits (through financial gain, more satisfied customers) in return; NJ utilities need to expend considerable effort to enlist retailers for lighting programs; NJ utilities need to attend lighting manufacturer trade shows to communicate with manufacturers and generate program concepts; To improve adoption of CFLs by consumers, the lighting industry and marketing channels must identify CFLs as energy-saving lighting technology.

L. Baseline Study of Attitudes and Awareness of Key Market Actors in the New Jersey Residential New Construction and Renewable Technology Market
Prepared for: NJ Electric & Gas Utilities
Prepared by: Roper Starch Worldwide Inc. & XENERGY Inc.
Date: May 2001

Description:

This baseline study furnishes information on the findings from thirteen (13) research tasks that were conducted independently, since each required research and interviews with different market actors. However, all of the research tasks used common language and definitions so that the results are comparable across all studied market sectors.

Objectives:

The objectives are:

Baseline Measurement: The primary objective is to establish a baseline that documents the current market for ENERGY STAR homes against market changes can be measured;

Program Design and Implementation: The secondary objective is to enhance the understanding of the residential new construction market and identify the opportunities and barriers associated with market transformation efforts;

Customer Sited Clean Generation (CSCG): Lastly, to support the work of CSGG Working Group in its efforts to understand the market for CSCG technologies.

Major Findings:

Findings are grouped under three (3) major headings:

Residential Transactions;

Residential New Constructions;

Residential Additions and Alterations.

Residential Transactions:

Table 2.2: Class 2 Real Estate Transaction¹⁰ by Region (July 1, 1999 through June 30, 2000)

Region	Number of Transactions	Mean Sales Price
North Region	44,030	\$235,183
Central Region	38,356	\$187,118
South Region	22,898	\$140,466
State Total	105,284	\$197,072¹¹

Residential New Construction:

In 1999, 37,522 housing units were authorized by building permits, however for the same period, only 28,109 certificate of occupancies (COs) were issued, about 25% less than the building permits;

In 1999, market share of the utility residential new construction (RNC) programs was 2.6% - based on COs issued, or 3.9% - based on building permits issued;

From 1996 through 1999, the number of housing units in multifamily¹² and mixed-use buildings¹³ was in the range of 13% to 16% of the total number of housing units constructed;

Most new homes in NJ – about 93% - are gas heated production homes¹⁴;

¹⁰ This represents “usable” residential real estate transactions, and excludes residential land sales, new home sales, and sales that are not “at arm’s length” (e.g., sales from one relative to another).

¹¹ The median sales price for 1999 was \$221,750.

¹² A multifamily unit is defined as a building that consists of three (3) or more housing units.

¹³ A mixed-use building is defined as a building that includes both residential and non-residential units.

¹⁴ A custom home is defined as a home that is built to the homebuyer’s specifications.

In 1999, a total of 692 prefabricated housing units were shipped to NJ – 644 manufactured housing units and 48 modular housing units.

Residential Additions and Alterations:

In 1999, a total of 232,854 permits – 13,995 for additions and 218,859 for alterations - were issued by the Division of Codes & Standard, part of the Department of Community Affairs;

For the same period, the total value of additions and alterations is \$1.7 billion, about half of the size of the \$3.6 billion residential new construction market;

The average dollar value for additions and renovation is only \$8,000, however, the corresponding value for new construction is about \$100,000 per unit.

New Jersey Renewable Energy Market Assessment
Prepared for: NJBPU/CEEEP
Prepared By: Navigant Consulting Inc.
Date: August 2, 2004

Description:

This assessment provides the technical, economic and market potential for renewable energy technologies in New Jersey.

Objectives:

Screen and prioritize among the Class I renewable energy technologies.
For leading options assess the market potential and estimate market penetration through 2020.
Review progress towards the Clean Energy Program goals (gap analysis).
Review the effectiveness of current programs towards meeting Clean Energy Program goals and suggest modifications to programs and new programs.

Major Findings:

Financial support is necessary to achieve significant PV market penetration, but RECs may be more cost effective per MW than rebates.

New Jersey can likely decrease the amount of the rebate and still meet its 2008 objective of 90 MW of PV.

The Clean Energy Program can ensure that cost-effective RE options are developed by 2008, while also focusing on the larger, longer-term potential of offshore wind power, central station PV and biomass gasification.

Digester gas from wastewater treatment and landfill gas offer the potential for the lowest electricity costs, followed by onshore wind power options.

When the additional revenues from RECs are considered, several resources appear economically viable by 2008, even with modest REC prices.

By 2020, NJ may have significant RE potential that is economic, depending on the REC price and the viability of offshore wind power.

The 90 MW PV goal can be met with adequate funding of existing programs, but other programs may help control costs.

The 300 MW Class I goal appears to be a stretch due to near-term resource constraints, but the Clean Energy Program can do several things to help meet the goal.

Achieving the goal of 1.5X of Class I RPS load served via green power is an aggressive target but the Clean Energy Program is starting to address it.

The ability to enter into long-term contracts for energy and RECs is critical for project financing and development.

N. New Jersey Energy Efficiency and Distributed Generation Market Assessment

Prepared for: NJBPU/CEEPP

Prepared By: KEMA, Inc.

Date: August 2004

Description:

This assessment provides the technical, economic and market potential for energy efficiency technologies in New Jersey.

Objectives:

This study assesses energy-efficiency potential for saving electricity and natural gas in all sectors in New Jersey. It calculates technical, economic, and achievable potential savings through 2020, and is restricted to energy-efficiency measures and practices that are presently commercially available. This study leverages recent research conducted by the major investor-owned utilities in New Jersey and the New Jersey Board of Public Utilities (NJBPU), which provided an extensive foundation for estimates of potential in existing commercial, industrial, and residential buildings.

Major Findings:

If all the technically feasible energy-conservation measures analyzed in this study were implemented regardless of economics, the overall technical peak-demand savings could amount to some 6,275 megawatts (MW) by 2020. If, however, only the measures that are economic (i.e., cost-effective when compared to supply-side alternatives) were implemented, potential peak-demand savings would be roughly 4,186 MW—33 percent lower than the technically feasible amount. These savings correspond to the equivalent of 8-12 mid-sized (500 MW) power plants. The residential sector contributes the most to both technical and economic savings potential, followed by the commercial sector.

Economic potential assumes that all economically feasible measures will, in fact, be installed (for example, every incandescent light bulb in every house in New Jersey will be replaced by a compact fluorescent bulb). This of course is not feasible. For this reason, in order to provide reasonable estimates of impacts from energy-efficiency programs, KEMA developed estimates of achievable potential, which are based on assumptions regarding the success of measure adoption. Since the latter depends to a large degree on programmatic support, KEMA estimated potential savings under alternative future investment scenarios.

Achievable (or program) potential refers to the amount of energy saved as a result of a specific program's funding levels and incentives provided. These savings are above and beyond those that would occur naturally in the absence of any market intervention (estimated at 372 MW in 2008 and 462 MW in 2020).

Net program peak-demand savings potential ranges from over 540 MW by the year 2020 under the current program configuration (Business-as-Usual scenario) to some 970 MW if funding levels are significantly increased under very aggressive program activity (Advanced-Efficiency scenario).

O. Process Evaluation of the Renewable Energy Programs Administered and Managed by the New Jersey Board of Public Utilities Office of Clean Energy

Prepared for: NJBPU/CEEEP

Prepared By: Aspen Systems Corporation

Date: November 2004

Description:

This report provides a process evaluation of the renewable energy programs managed by the Board's Office of Clean Energy

Objectives:

Assess the systems, processes and procedures for program management, financial management and quality control, and provide recommendations for improvements

Assess the systems for tracking information utilized for regulatory reporting, financial reporting and program evaluation, and provide recommendations for improvements

Review existing overall and program-specific goals, and assess whether programs are meeting them

Review existing metrics and recommend changes to metrics to measure success (such as performance indicators and goals)

Assess standards for reviewing applications and awarding incentives

Assess program impacts and update protocols for measuring energy savings (as needed)

Assess the process followed to develop and implement new programs

Assess the manner and extent of coordination among the various programs

Assess program marketing and outreach activities

Assess motivations for and barriers to program participation

Major Findings:

The report includes numerous recommendations regarding ways to improve program processes and procedures related to each of the above objectives.

APPENDIX 3 PERFORMANCE INDICATORS

The following sets out performance indicators that were proposed by the utilities in past filings with the BPU:

Residential Electric HVAC Program	Performance Indicator	Data Source
Rebate volumes and energy savings	Number of central A/C, heat pump and thermostat rebates	Program tracking data and protocols
HVAC training	Number of technicians participating in utility sponsored training on Manual J, charging/airflow, duct design, etc. Number of HVAC firms with at least one technician that has participated in utility-sponsored training	Program tracking.
Rebate inspections	“Passing” rate for inspections of rebate systems	Program tracking.
Contractor certification	Number of HVAC technicians and/or contractors that have been certified	Data from independent authority the Utilities should work with to promote certification.
Awareness/Attitudes	% of customers aware of benefits of efficient equipment and quality installations; % of contractors using and/or aware of benefits and key elements of efficient equipment and quality installations	Baseline study/Market Assessment
Market share monitoring	Sales of high efficiency A/C and heat pumps as % of total NJ sales if possible	Baseline study/Market Assessment

Residential Gas HVAC	Performance Indicator	Data Source
Participation and energy impacts	Number of HVAC incentives paid for furnaces, boilers, water heaters and thermostats.	Program tracking and protocols
Trade Ally Training	Number of HVAC technicians and/or contractors that have received sales training.	Program tracking
Customer Awareness/Attitudes	Percent of customers aware of benefits and key elements of high efficiency equipment.	Market Assessment
Contractor Awareness/Attitudes	Percent of contractors aware of benefits and key elements of high efficiency equipment.	Market Assessment
Market share monitoring	Sales and installation of high efficiency water heaters, furnaces, and boilers as % of total NJ sales of these products if possible.	Surveys and Distributor Sales Data
Incremental Cost (long term impact)	Incremental cost of high efficiency water heaters, furnaces, and boilers relative to standard equipment.	Market Assessment

Residential ENERGY STAR Windows	Performance Indicator	Data Source
Retailer Participation	Number of trade allies promoting or co-sponsoring promotions of ENERGY STAR windows.	Program Tracking
Manufacturer Participation	Number of manufacturers promoting or co-sponsoring promotions of ENERGY STAR windows.	Program Tracking
Product Availability	% of retail space devoted to ENERGY STAR windows relative to space devoted to windows overall.	Market Assessment
Market share monitoring	Sales of ENERGY STAR windows as % of total NJ sales of these products.	Program Tracking
Public Awareness and Consumer Knowledge	% of customers aware of benefits and key elements of ENERGY STAR windows.	Market Assessment

Residential ENERGY STAR Lighting	Performance Indicator	Data Source
Retailer Participation	Number of trade allies promoting or co-sponsoring promotions of ENERGY STAR lighting.	Program Tracking
Trade ally Training	Number of allies and percent of allies trained	Program Tracking
Product Availability	Inventory and shelf space of qualified products available in retailer stores and compared to non-qualified products.	Program Tracking
Market share monitoring	Sales of ENERGY STAR lighting as % of total NJ sales of these products (includes separate estimate for new construction/retrofit market).	Program tracking
Product pricing	Change, over time, of product prices	Program Tracking
Public Awareness and Consumer Knowledge	% awareness of benefits of ENERGY STAR lighting.	Evaluation

Residential ENERGY STAR Appliances	Performance Indicator	Data Source
Retailer Participation	Number of trade allies promoting or co-sponsoring promotions of ENERGY STAR appliances	Program Tracking
Sales Training	Number of sales associates trained in ENERGY STAR appliance products.	Program Tracking
Product Availability	Number of qualified products available and on display	Program Tracking
Market share monitoring	Sales of ENERGY STAR appliances as % of total NJ sales of these products if possible	Program Tracking
Public Awareness and Consumer Knowledge	% of awareness of benefits of ENERGY STAR appliances.	Evaluation
Residential New Construction	Performance Indicator	Data Source
Participation and energy savings	Number of homes certified (by single-family, townhouse, multifamily and affordable)	Program tracking and protocols.
Technical assistance to builders and subcontractors	Number of builders and subcontractors trained	Program tracking system and evaluation
Installation rates for efficient equipment	% of new homes built with qualifying ENERGY STAR gas and SEER 13+ HVAC equipment	Program tracking system
Supplemental measures	Number of lighting, appliance and ventilation installations	Program tracking system
Builder participation	% of builders for which Energy Star homes are a significant % of annual homes completed	Program tracking, market assessment and best available data on builders in NJ
Market share monitoring	Number of ENERGY STAR homes built as % of total NJ new residential construction	Program tracking system and best available data on new construction Initial market assessment of construction practices
Awareness/Attitudes concerning ENERGY STAR homes	% of consumers aware of benefits (including perceived value and quality) of ENERGY STAR homes; % of builders, realtors, other market actors aware of benefits of ENERGY STAR homes	Baseline survey and subsequent evaluation
Awareness/Attitudes concerning home energy ratings and mortgages	% of customers, builders, bankers, etc. aware of home energy ratings and energy efficient mortgage option; availability and use of home energy ratings and energy efficient mortgage options	Baseline survey and subsequent evaluation
Customer and builder satisfaction	% of participating home owners satisfied with energy efficiency of new ENERGY STAR home	Market Assessment

Commercial Construction Program	Performance Indicator	Data Source
Energy and Demand Impacts	Program Savings	Protocols
Program Activity - separate estimates for new construction and retrofit	Number of projects. Projects as a % of new construction and renovation activity statewide.	Program tracking for number of projects. Market assessment for % of statewide activity (using best available data).
Program Activity – separate estimates for new construction and retrofit	Number and percent of repeat design professionals in Comprehensive Design Assistance.	Program tracking
Distribution of Program Activity – separate estimates for new construction and retrofit	Number of prescriptive, custom, and CDA projects. Percent of energy savings from prescriptive, custom, and CDA projects, respectively.	Program tracking
Program Activity: Motors, HVAC, and Design Lights	Number of individuals trained, by specialized path and type of training.	Program tracking
Trade Ally Awareness	Percent of design professionals aware of the program, qualifying measures, and design practices.	Market Assessment
Customer Awareness	Percent of customers aware of the program, qualifying measures, and design practices.	Market Assessment
Market share monitoring	Periodic estimates (method TBD) of sales of energy efficient technologies as a percent of total NJ sales.	Market Share Monitoring
Market changes in energy efficient lighting design	Decrease in watts per square foot, for participants and non-participants, by building type.	Market Assessment

APPENDIX 4 PROGRAM GOALS

In May of 2004 the Board adopted the following overall objectives for New Jersey's Clean Energy Program:

- By December 31, 2008, six and one half percent of the electricity used by New Jersey residents and businesses will be provided by Class I and/or Class II renewable energy resources, of which a minimum of four percent will be from Class I renewable energy resources.
- By December 31, 2008, install 300 MW of Class I renewable electric generation capacity in New Jersey, of which a minimum of 90 MW will be derived from photovoltaics.
- By December 31, 2012, 785,000 Megawatt hours per year and 20 billion cubic feet of gas per year of energy savings will be derived from energy efficiency and renewable energy measures.

The third objective set out above was designed to achieve having future growth in electric and natural gas usage met through energy efficiency and renewable energy such that overall usage remains at 2002 levels. In December 2004 the Board refined its energy efficiency goal as follows:

- For every percentage increase in funding compared to 2003 funding levels, the goal is to increase energy savings over 2003 levels by the percentage increase in funding plus 10%.

The following goals were developed for the programs currently managed by the utilities. No program specific goals were developed for the other programs although overall goals for renewable energy have been developed.

Residential HVAC Program

The following goals for the first twelve months of 2004 were developed based upon consideration of these factors and upon actual program participation levels in 2003:

Electric goals:

- Process 16,986 central air conditioner and heat pump rebates statewide.
- Train at least 1,000 HVAC technicians on either Manual J load calculations (including use of software applications), proper charging and airflow, technical material that must be understood to pass the North American Technical Excellence (NATE) certification test, duct sealing, duct design using ACCA Manual D, ENERGY STAR sales techniques, and/or any other substantial form of training that is directly related to program goals. Any training conducted using essentially the same curricula provided by the program, including training provided by industry allies, shall count towards the goal.
- Add 400 New Jersey HVAC technicians to the list of those who are certified by NATE.

Gas goals:

- Process 8,500 ENERGY STAR qualified furnace and boilers rebates statewide.
- Provide ENERGY STAR sales training to at least 100 sale representatives of HVAC contractors.
- Hold at least one individual outreach meeting to explain and promote program offerings (e.g. rebates, sales training, other training) with at least 200 of the 400 largest HVAC contractors.
- Initiate a NATE certification training program for gas contractors.

Residential New Construction Program

The following annual goals for 2004 were developed based upon consideration of transitional factors and upon actual program participation levels in 2003:

Enroll at least 20% of the total New Jersey permits issued for residential new construction dwelling units (single family, townhouse and multi-family) with commitments to build to the ENERGY STAR Homes program's efficiency standards when the units are constructed.

- Certify at least 5,830 ENERGY STAR Homes.
- Train at least 150 builders, subcontractors and architects on program elements and aspects that will improve the energy efficiency, performance and sales of homes they design and build.

Energy Star Products Program

The ENERGY STAR Products program has several common, inter-related goals as follows:

- Maintain retailer ENERGY STAR partner commitments. This includes placing marketing materials in the stores that promote ENERGY STAR products, training sales associates in the benefits of and how to sell ENERGY STAR products, and continuing to sponsor co-op advertising and product promotions that at least 15% of enlisted program retailers participate in by year-end.
- Develop a broad based consumer promotion designed to have the most benefit to NJ consumers with input from the BPU, and industry. The ENERGY STAR products to be promoted (e.g. CFLs, clothes washers) will be selected in consultation with the BPU and industry experts.

Low-Income Program

The total statewide participation is expected to be 6,500, which is the sum of the electric participants (all households have electric service). The gas customer participation is expected to be 5,572 and is a subset of the 6,500 electric participants.

C&I Program

The goals related to the number of rebates processed tend to be seasonal in nature with many applications for cooling equipment rebates received prior to or during the summer months and many applications for heating equipment received prior to or during the winter months. The number of rebates processed also tends to be impacted by factors outside of the control of the utilities such as general market conditions and weather.

The following goals for 2004 were developed based upon consideration of these factors and upon actual program participation levels in 2003:

- Collectively process through completion at least 2,500 total New Jersey SmartStart Buildings Program applications.
- Collectively achieve the cited participation levels for the following program paths:
 - Tier 2 unitary HVAC installations completed: 700
- Collectively achieve the following electric energy savings: 89,000 Megawatt-hours.
- Collectively achieve the following gas utility energy savings: 300,000 Therms.
- Complete 5 compressed air audits/studies.
- Complete 5 compressed air projects.
- Launch a CHP pilot, evaluate and rank proposals based on qualifications, and distribute funding budget to projects with the highest rankings.